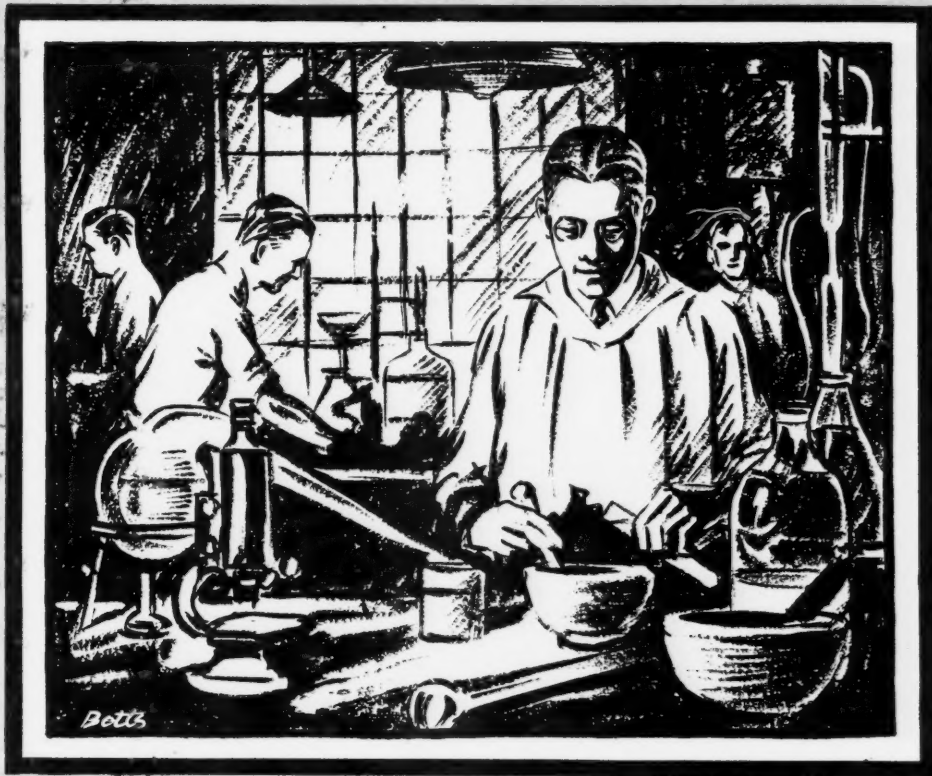


JUNE 27, 1925

TWENTY CENTS

Sales Management

For Sales and Advertising Executives



In This Issue—Pitfalls to Avoid in Selling to the Chemical Industry

One Move Cut Our Expenses \$250,000 a Year

By Colonel James H. Graham

President, The Indian Refining Company

Other articles by: E. J. Heimer, The Barrett-Cravens Company; Arthur Friestedt, The United States Music Company; L. J. Steffen, Hough Shade Corporation; Arthur P. Dyer, Oriental Oil Company; Joseph Kraus, A. Stein & Company; H. L. Ramsay, J. D. Wallace & Company

Bright Spots in Business for July

A Dartnell



Publication

UNITED STATES GYPSUM COMPANY
205 WEST MONROE STREET
CHICAGO



May 5, 1925

Mr. E. T. Meredith, Publisher,
BETTER HOMES AND GARDENS,
Des Moines, Iowa.

My dear Mr. Meredith:

This is the first year that we have included your magazine in our Sheetrock advertising schedule, and we believe it will interest you to know that we are well satisfied with the results obtained through this medium.

Inquiries began to be received with the issuance of the first number of BETTER HOMES AND GARDENS containing our copy, and they have come in in increasing numbers ever since. We were surprised to note that your magazine is among the very first on our list in point of tangible results produced. Among the mediums of large national circulation, it is lowest in the cost per inquiry received.

From this it is evident to us that the large circulation of BETTER HOMES AND GARDENS, the location of a large proportion of that circulation in the medium-sized communities of the country, the particular interest of its subscribers in the erection and upkeep of moderate-priced homes, and the peculiar appeal of the magazine to that type of readers, combine to make your publication an excellent medium for the promotion of our products.

Very truly yours,

UNITED STATES GYPSUM COMPANY

Channing
Vice-President
In Charge of Sales

How Sheetrock Increases Sales

IN more than 600,000 homes throughout the country, Better Homes and Gardens is building a decided interest in home improvement.

This home-consciousness among the subscribers of Better Homes and Gardens is best indicated by the fact that **32,915 of them wrote this magazine during the twelve months ending March 31, 1925, asking advice on home problems.**

No wonder, then, that Sheetrock finds this magazine "*first on our list in point of tangible results produced.*"

Advertising in Better Homes and Gardens has helped Sheetrock increase sales.

You should be getting your share of the available business.

Better Homes and Gardens

E. T. Meredith, Publisher

Des Moines, Iowa

That's How Chicago Feels About It—

Chicago people know their newspapers—their relative journalistic efficiency and their consequent advertising efficiency.

When Chicago people want anything that someone else can supply they know that the way to get it is to advertise for it in the classified columns of The Chicago Daily News. In the year 1924 the people of Chicago and its suburbs placed 929,456 individual “want-ads” in The Daily News. Almost a million separate pieces of business placed in a medium that they know by experience brings the desired return.

The Daily News is effective as a “want-ad” medium because it reaches the sources of supply in Chicago and its suburbs—and is read for advertising information as well as for its current news and editorial features. The qualities that make it effective as a “want-ad” medium make it equally effective as a display medium—and display advertisers so testify by their advertising lineage. In 1924 The Daily News published 15,099,527 agate lines of display advertising, a greater volume than was ever before published by any Chicago daily newspaper in any single year. The next highest 1924 daily lineage record was 11,774,440 lines.

The people of Chicago appreciate The Daily News' comprehensive advertising service, and know that because it is *their* advertising directory and guide their own advertisements will receive the same attention. The Daily News' 400,000 daily average circulation means approximately 1,200,000 readers every day—concentrated 94 per cent in Chicago and its suburbs.

Chicago people know that they can get what they want by using the advertising columns of

THE CHICAGO DAILY NEWS

First in Chicago.

Who is this Fellow?

He's a **SUCCESSFUL MAN**—A canvass of 22 Rotary Clubs scattered throughout the United States resulted in the following information with reference to business failures among Rotarians.

These clubs have a total membership of 4,475, or an average of 203 9/22 members per club. Total failures reported in a period of five years were 30. Of this number, 19 had reorganized and reengaged in business and made a success, so that the net number of absolute failures was only 11 out of 4,475 over a five-year period.

Out of the 22 clubs, 11—or one-half—reported absolutely no failures. This is a fair indication for the entire circulation.

*He's a fellow
worth
talking to!*

THE ROTARIAN

THE MAGAZINE OF SERVICE

Advertising Manager
Frank R. Jennings, 221 East 20th Street
CHICAGO

Eastern Representatives
Constantine & Jackson
7 W. 16th St., New York

Cincinnati, Ohio
A. Q. Gordon, 28 Pickering Bldg.

Pacific Coast Representatives
Blanchard-Nichols-Coleman
San Francisco, Los Angeles, Seattle

Member Audit Bureau of Circulations

This Issue at a Glance

ADVERTISING

Cheltenham Bold comes out like a good square fellow and admits that a statement made in a recent article wasn't quite what it should have been in view of a strictly legal interpretation of terms. The term "independent contractor" used to designate the relation of an advertising agent and his client is the one Mr. Gilbert H. Montague has taken exception to, he says. This doesn't in any way disprove the original point. Page 970.

The third installment of the series of articles by Roy W. Johnson on "The Legal Aspect of the Relationship Between Agency and Client" appears in this issue. Page 947.

ADMINISTRATION POLICIES

When the officials of the Indian Refining Company announced their intentions of moving the entire home office, baggage and personnel, back to Lawrenceville, Illinois, from New York City, there were many who thought the idea bordered on insanity. But the move proved to be the greatest event in the history of the company. It not only cut expenses \$250,000 a year, but it resulted in far-flung benefits to the company personnel. Colonel James H. Graham, president of the company, tells the story of this huge transplantation of an office with its entire force. Page 939.

DIRECT MAIL

The Barrett-Cravens Company has developed a plan of direct mail campaigning whereby two thousand prospects are circularized every week, and a smash mailing sent to the whole list once every three months. No literature is distributed by company salesmen, but every name is sent in for the general mailing list. The plan provides the salesmen with a continuous stream of new leads, besides paying for itself in profits made on goods sold in open territories. "Two Thousand Letters a Week." Page 941.

The most successful mailing piece ever sent out by J. D. Wallace & Company, Chicago, makers of woodworking machinery, consisted of a broadside made up in newspaper rotogravure style. One page of the folded sheet was devoted to a special message directed to the class of prospects to whom the mailing was sent out. This copy was changed to correspond to each classification of buyers which the company sells. Page 963.

HANDLING SALESMEN

One of the most familiar of all refrains in a sales department is "Oh, I Know All About My Territory." This attitude on the part of the salesman is often the reason for overlooking a good volume of business, a writer points out, after recounting the experiences of several sales managers in handling such cases. It usually turns out that the salesman knows only the part of the territory he is working. Page 967.

MARKETS

Conditions for marketing to the chemical industry differ from those encountered in marketing to other industrial groups, according to a report on that market by a member of the Dartnell editorial staff. The heterogeneous character of the various branches of the industry is one reason for

these differences; the influence of the technical director and the secrecy which attends the operations of the industry are other contributing factors. "Pitfalls to Avoid in Selling to the Chemical Industry." Page 955.

SALES LETTERS

The Oriental Oil Company found that almost 99 per cent of their old customers who had stopped buying had stopped for no reason at all, so they set about regaining the business of these buyers through a series of letters. The series of letters which brought good results in this connection is reproduced in an article by Arthur P. Dyer, sales manager of the company. "The Old Customer Who Leaves You Flat." Page 958.

SALES POLICY

One of the commonest problems which irritate the sales manager, is the method of handling dealers who hold out for the jobbing discount. An interesting discussion of this problem is contained in this issue on page 973. It points out that the dealer's argument may be countered with some degree of success by putting it up to him to prove his claim to the jobbing discount, rather than trying to prove why the company shouldn't grant it. Also the dealer who claims he is getting inside discounts from competing companies is often only bluffing, this writer says.

An aggressive plan to convert dealers to the idea of changing their time of inventory from December, during the busy season, to June or July, the duller season, has been sponsored by the United States Music Company. By arranging so that the naturally quiet season and the dullness that always attends inventory time, fall concurrently instead of in two different seasons of the year, both merchants and manufacturers can avoid one dull period out of every year, this company points out. Page 945.

When the dye-soap called "Rit" first came on the market, it experienced a most phenomenal mushroom growth. It turned out that this extraordinary expansion in a short time was due to a transient fashion in women's clothes, and when the fashion had passed the company awoke to find the bottom dropped out of its market. How the company reorganized, staged a remarkable come-back, and finally hit an even stride again is told in an article on page 943.

When a new salesman is sent into a slumping territory, he is too often expected to show an immediate increase in sales. How this hampers him in regaining lost good-will, re-establishing sound credit conditions, etc., is shown in the experience of one company who sent four men into one bad territory before it was finally reclaimed. Page 964.

WINDOW DISPLAYS

Some unusually effective methods for obtaining the cooperation of dealers in putting in window displays of Paris garters form the subject of an article by Joseph Kraus, of A. Stein & Company, Chicago. How they convinced merchants of the value of putting in entire windows of garters, even though they were only a fifty cent item, is related on page 959.

No matter which!

Study the subscription galleys of any one of the Condé Nast Group—Vogue, Vanity Fair, House & Garden.

Try to find any difference in the buying power of each magazine's subscribers.

They live in the same part of town. They belong to the same clubs. They shop in the same stores. They have the same standards of living.

Some of them are especially keen about their homes, and take House & Garden.

Some of them are especially keen about their clothes, and take Vogue.

Some of them are especially keen about their brains, and take Vanity Fair.


But, no matter which of our magazines they subscribe to, their homes, their clothes, their surroundings and appointments are all of the best. They are the nice people of the town—the charge customers—the good spenders.

They are prospects for EVERY kind of quality merchandise.

That's why you ought to use the Group!

VOGUE
VANITY FAIR
HOUSE & GARDEN

THE CONDÉ NAST GROUP



Selling opportunities in the big farm area are good

OKLAHOMA'S big farm area, indicated in black on the map above, comprises 39 counties where the smallest farm is 160 acres. The average size of farms in the entire district is 243.6 acres, while the average in the State is 106 acres. There are 82,854 big farms in this area, everyone a prospect for farm equipment of all kinds—automobiles, trucks, tractors, farm implements, and home and personal needs of every description. The average income from crop sales per farm in this area was approximately \$1775 last year. The *Oklahoma Farmer-Stockman* has 65,654 subscribers, or 79.2% coverage, in this area of big farms.

The OKLAHOMA FARMER-STOCKMAN

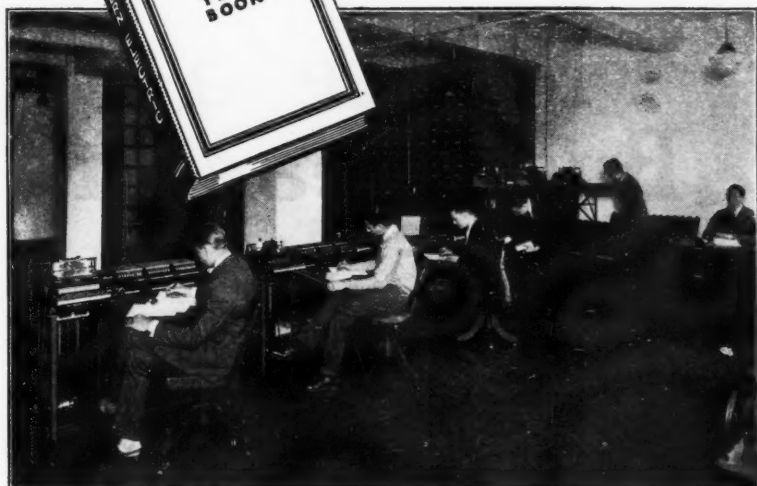
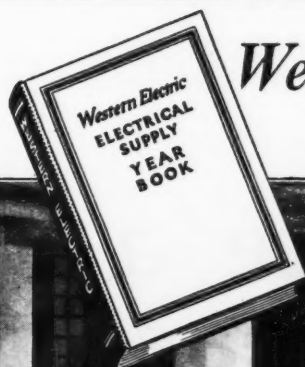
Carl Williams—Editor
Ralph Miller—Advertising Manager
E. Katz Special Advertising Agency
New York Chicago Kansas City
Atlanta San Francisco



Semi-Monthly

ABC

Oklahoma City



Western Electric Saves Time and Money for Industry by Distributing 60,000 Different Products

Part of the Electric Tabulating and Accounting Machine Installation in the Western Electric Co.'s New York Office. The files in the background show how the Tabulating Card records are stored. This installation uses an average of 158,000 Tabulating Cards every month.

Electric Tabulating and Accounting Machines (HOLLERITH PATENTS)

*Save Time and Money for Western Electric
by mechanically compiling the sales statistics of these 60,000 products*

THIS great distributor of electrical equipment performs a gigantic accounting feat when it records, classifies and analyzes the sales of its 60,000 products, as handled by its 18 head houses and 32 branches. International Business Machines make the feat possible.

Through the medium of our Electric Tabulating and Accounting Machines the Western Electric Co.'s sales reports and analyses are *automatically*

prepared. Which means that results in accuracy and speed are obtained that could not be duplicated by manual methods. In fact, it would be wholly impracticable to do this accounting work by clerical effort alone because of the exorbitant cost.

These machines have efficiently served the Western Electric Co. for over twenty years. No organization, large or small, can afford to overlook their possibilities.

INTERNATIONAL BUSINESS MACHINES CORPORATION

The Tabulating Machine Company Division

*For detailed information
fill in and mail the coupon*



International Business Machines Corporation,
The Tabulating Machine Company Division,
50 Broad Street, New York, N. Y.

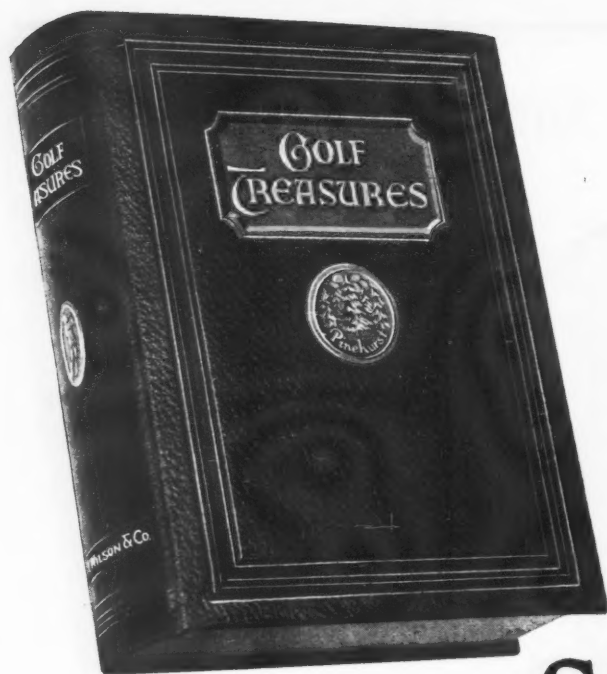
Gentlemen:—

Kindly supply us with detailed information regarding
Electric Tabulating and Accounting Machines.

Name

Kind of Business

Address SM-6-27



Make a Busy Season out of *your* Slack Season!



CHRISTMAS sounds like an odd time to sell golf balls. Yet Glenn H. Morris, advertising manager of Thos. E. Wilson & Co., says they sold several thousand dozen golf balls during the holiday season of 1924 which could not have been sold without the aid of the Molloy Made Box shown here.

This is the time to think of Christmas merchandising! Molloy Made Boxes will make busy seasons out of slack seasons for many manufacturers during the next few months—will you be one of them?

Tell us the nature of your product or send us a sample, and we will suggest a Molloy Made Box which will give it distinctiveness and irresistible appeal as a gift feature. An inquiry will cost you nothing, and it may open an entirely new market for your product. Write today!

THE DAVID J. MOLLOY COMPANY, CHICAGO, ILLINOIS

2869 North Western Avenue

Prospect-Fourth Building, Cleveland
218 East 84th Place, Los Angeles

300 Madison Avenue, New York
Carlton Publicity, Ltd., London

MOLLOY MADE

Commercial Covers  for Every Purpose

Two modern inventions bring the world to you



The telephone and The Literary Digest are brothers, in that they are both good and useful inventions.

The telephone makes every other telephone subscriber your neighbor.

The Digest gives you the thought of the world, everything that has been done or said that is worth while. It is the consensus of opinion of five thousand editors, boiled down, condensed and arranged so that you may know everything that has happened each week.

The telephone and The Digest are both labor-saving devices. The telephone saves miles and miles of traveling. The Digest saves years and years of reading.

The kind of a home that has a telephone appreciates The Digest. For by the simple act of installing a telephone a family places itself among the list of progressive, enterprising people who are interested in the events that are taking place about them, who keep in touch with the affairs of their neighborhood, of the country and the world.

To think of the market for any article whatsoever in terms of one hundred and ten million people is futile. Advertise to those who understand your message and are responsive to an advertising and selling appeal. The telephone is the surest index of this market. One-third of the country's homes have telephones, and it is conservative to estimate that they buy two-thirds of the advertised commodities sold.

It is a good thing for the national advertiser to aim at—coverage of the 8,500,000 families in the telephone market—and obviously the telephone subscriber circulation of a number of magazines must be added together to total more than eight and a half million.

Because in the ten years (1915-1924) The Digest has continuously circularized telephone subscribers, it has increased its circulation to more than 1,300,000 copies per week and can make to all manufacturers of nationally advertised products this definite statement:



The Literary Digest

MIDAS GOLD

A Study of: NATIONAL MARKETS
FAMILY INCOMES
TIME-PAYMENT SELLING

"Midas Gold" is a comprehensive treatise dealing especially with time-payment selling.

Whether you are in favor of time-payment or against, the time has come for a serious study of this subject by both present and prospective advertisers.

This book, 100 pages and bound in cloth, has a vital message for every manufacturer and advertiser—particularly those in the building, decoration and household utility fields.

A limited supply of this book has been printed. We will gladly send a copy with our compliments to any national advertiser as long as the supply lasts. Please address Mr. H. S. Lines, Butterick Building, The Butterick Publishing Company, New York City—and mention SALES MANAGEMENT.

BUTTERICK
Publisher

Subscription Rates: Single copies, 20 cents. Yearly subscriptions payable in advance, \$4.00 for twenty-six issues, anywhere in the United States or its possessions. In Canada, \$4.25 and \$4.50 in foreign countries. Six months' subscription, \$2.00, for thirteen issues. No two-year or clubbing rates.

Bound Volumes: There are thirteen issues to a SALES MANAGEMENT volume, beginning with the first issue of January, and the first issue of July. These volumes, bound in buckram, may be ordered for delivery at the conclusion of the volume. Price, \$5.00, postpaid.

Back Bound Volumes: Bound editions of Volume VI, containing the issues of July to December, 1924, and Volume V, containing the issues of October, 1923, to June, 1924, may be obtained from the office of publication, 1801 Leland Avenue, Chicago. Price, \$6.00, postpaid.

Renewals: Subscriptions to SALES MANAGEMENT are dropped promptly when they expire. Readers desiring to keep their files complete should renew their subscription upon finding expiration notice in their copy.

News Stand Copies: This magazine is not generally sold through news dealers. For the convenience of subscribers away from the office it is distributed on the newsstands of the principal hotels.

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Published every other Saturday by

THE DARTNELL CORPORATION

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*Member Audit Bureau of Circulation
Associated Business Papers, Inc.*

Sales Management

*Published Every-Other-Saturday for Those
Marketing Through National Sales Organizations*

VOLUME EIGHT

Established 1918 by The Dartnell Corporation

NUMBER THIRTEEN

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60,000,000 American
Church Members

**Demand
Good Church Music
and Pay Well for It**

The EXPOSITOR

In Its Twenty-Sixth Year
Covers the Church Field

The OCTOBER issue of
the Expositor will be a

Special Church Music Number

offering unusual sales
opportunities to manu-
facturers and dealers in

Pipe Organs
Pipe Organ Blowers
Reed Organs
Pianos
Band Instruments
Orchestra Instruments
Hymn Books and
Service Books
Anthems and
Collections
Music Publishers
Music Book Racks
Hymn Boards
Choir Stalls
Choir Vestments
Radio Outfits (Sending
and Receiving)
Talking Machines
Chimes

Advertising forms will
close September first.

Rates—\$75.00 a page, one time
\$60.00 a page, twelve times

Sample copy, rate card
and distribution will be
gladly sent, upon request.

+

**The One Big
Music Number
of the Year**

+

The EXPOSITOR

710 Caxton Bldg.
Cleveland, Ohio

New York Chicago
17 W. 42nd St. 37 S. Wabash Ave.



—Courtesy, The Pullman Company

Formal announcement has been made of a number of promotions in the executive staff of Dodge Brothers, Inc., following the reorganization of the company incident to the purchase by Dillon, Read & Company. FREDERICK J. HAYNES continues as president, and A. T. WATERFALL as vice president. JOHN A. NICHOLS, JR., formerly general sales manager, is advanced to vice president in charge of sales. A. A. MITCHELL, for many years factory manager, is now vice president in charge of manufacturing. H. V. POPENEY, formerly secretary of Dodge Brothers, is now secretary and treasurer. F. L. SANFORD was appointed general sales manager. Mr. Sanford served previously as assistant general sales manager and director of distribution.

W. O. CRABTREE has been appointed general sales manager of the Flint Motor Company to succeed F. E. Witt, who recently resigned. Prior to his appointment with the Flint Company, Mr. Crabtree was identified with sales activities of the Durant organization.

ARTHUR J. PENCE has resigned as general sales manager of Moore Brothers Company, stove manufacturers of Joliet, Illinois, to become the head of a new company now being formed to open a chain of retail stove stores. The new company will be known as Pence Stove Stores, Incorporated. The first store of the new chain will be opened in Joliet at an early date. It is believed that this is the first attempt to combine the retailing of stoves and kindred items with the chain store idea of merchandising.

ROYAL H. MILLER, formerly export manager of the Hannahsons Shoe Company, Haverhill, Massachusetts, and of McElwain Hutchinson & Winch, Boston, will become export manager of the Turner & Seymour Manufacturing Company, Torrington, Connecticut, July 1. During the past year Mr. Miller has been in charge of the credits and insurance section of the Bureau of Foreign and Domestic Commerce, Washington, D. C.

W. A. GAUSE will direct the marketing of foreign business for the Channell Chemical Company, Chicago, manufacturers of O'Cedar products. Mr. Gause will sail for Europe immediately to make an extensive survey of foreign markets.

NORTON W. MOGGE, for the past six years advertising manager for Skookum apples and Wenatchee division manager of the Northwestern Fruit Exchange, has resigned from that position to become vice president in charge of field and advertising for the Northwest Fruit Distributors, Seattle. This organization recently formed is made up of the former executive heads of the Northwestern Fruit Exchange.

EDWIN W. BIRR, recently connected with Rogers & Company, Chicago, has been elected secretary of the Union Bank Note Company, Kansas City, Missouri.

JOHN J. O'BRIEN has been elected president of the Shaffer Oil & Refining Company, Chicago, to succeed H. C. Cummins, who resigned.

A. L. SCHEUER, president, the Kelly-Springfield Tire Company, has tendered his resignation as head of that company to take effect not later than October 1. Mr. Scheuer will retire.

Kilborn & Bishop Company, New Haven, Connecticut, manufacturers of drop forgings and forged hardware, announce the appointment of J. H. G. WILLIAMS as general manager. Mr. Williams was formerly assistant works manager for Billings & Spencer Company, and later operated the Bay State Forge Company, Springfield, Massachusetts.

F. C. SPENCE, formerly of Austin F. Bement, Inc., and Walker & Company, Detroit, has been appointed sales and advertising manager of the Fruit Products Company of Florida.

DAVID F. EDWARDS has been made president of the Wickwire, Spencer Steel Corporation, New York City. He was formerly vice president of the corporation, and he succeeds Theodore H. Wickwire, Jr., in his new capacity.

ALFRED L. FREDEN, sales manager for Listerated Gum Corporation, New York City, has also been appointed general sales manager for the Ideal Cocoa & Chocolate Company.

H. W. STONE, formerly with the Western Agency, Inc., has joined the staff of the Portland office of the Botsford-Constantine Company, advertising agents.

A Reprint from the June 13th Issue of *Sales Management*

ANYONE who is either in the business of an advertising agency or who is doing a reasonable amount of advertising, is often appalled at the conglomerate mass of advertising matter received in the morning mail—all colors, shapes and sizes. Some of it is of little interest; much of it of no interest. Perhaps a considerable portion of this material would be useful information at some time or other if it were in shape for convenient filing, but it would be a terrific undertaking to file most of the advertising material in the form in which it is now mailed.

There has been a movement among advertising agencies recently to encourage the standardization of advertising matter that gives information about mediums, printing, engraving, and other such subjects. As a group of advertising agencies state the case:

"We outlined the advantages that would accrue to the publishers themselves when a standardized size of presentation was adopted and that the effectiveness of much excellent material was lost because of failure to present it in the standard size—8½ by 11 inches.

"The publishers with whom we have talked have endorsed the suggestion, and have agreed to co-operate."

The most notable instance of standardized material that has come to hand lately is a durable folder from *Cosmopolitan* magazine. Unusually heavy, tough stock was used in making up this folder, which is provided with a linen backing or binding at the back, so as to permit constant use without tearing or coming apart.

There are ten tabs, numbered from 1 to

10, these tabs bearing the following key words:

1. Editorial Policy
2. Circulation
3. Who reads *Cosmopolitan*
4. Market
5. *Cosmopolitan* Service Department
6. Schools
7. Motoring
8. Travel
9. Market Service
10. Radio

Mr. A. C. G. Hammesfahr, general manager of *Cosmopolitan*, sets forth that this folder is the direct result of a questionnaire that he sent out a number of months ago to advertisers and advertising agents. The sixth question of this questionnaire was: "Would a letter-sized folder, to be kept on file, giving all essential facts about a publication, be useful, especially if it were kept up to date?"

Mr. Hammesfahr says that every answer to this question was "Yes," and so he has created a standardized file that he expects to keep up to date.

This folder does not deal with rates or A.B.C. statements, because such data has already been standardized to such an extent that a repetition in the folder would be "padding."

In reality the dividing up of information about a medium under definite headings not only makes the information more extensive but makes it much more pertinent and readable.

It will probably be a long time before all information for advertisers and advertising agents is put into standardized file size, but certainly the movement is a wise one and if many publishers followed it, a great deal of the "morning stack" of glanced-at information would be eliminated.

SUPPLEMENT No. 2 to the Standard Agency Data File will be issued on July 1st. It will replace the present folder covering Editorial Policy and provide a brief summary of the outstanding editorial features for the coming months. This supplement should be filed immediately upon receipt.

DESIGNED to establish a definite standard of practice in filing publication information, the Standard Agency Data File has met with the hearty approval of agencies throughout the country. In the interests of further perfection of the idea, we will welcome any suggestions for its improvement.

Hearst's International
Cosmopolitan
NEW YORK



The new Sign of an old Truth

For more than a half-century the Standard Oil Co. (New Jersey) has been setting standards of quality and service in the petroleum industry.

The word "Standard" is a trade-mark of this company, registered in the United States and many foreign countries. "Standard" Gasoline, "Standard" Polarine Motor Oils and Greases and a host of other products for farm, household and industrial use became solidly united and entrenched under this mark.

It was a recent privilege of The McCann Company, which has handled the advertising of these products since 1912, to suggest the circle-and-bar mark—registered separately—as an additional and even more distinctive safeguard.

The combined mark—efficient and widely accepted sign of the uniformly high quality which an exacting public associates with the name "Standard"—is in clear accord with the basic advertising policy expressed in The McCann Company's own trade-mark—"Truth Well Told."



THE H. K. McCANN COMPANY
Advertising

NEW YORK
CHICAGO

CLEVELAND
LOS ANGELES

SAN FRANCISCO
MONTREAL

DENVER
TORONTO

Sales Management

A Dartnell  Publication

Volume Eight

Chicago, June 27, 1925

Number Thirteen

One Move Reduced Our Expenses \$250,000 a Year

Centralization Plan Eliminates a Heavy Toll of Lost
Motion That Slowed Sales and Piled Up Expenses

By Colonel James H. Graham

President, Indian Refining Company, Lawrenceville, Illinois

I HAVE been quoted as saying that if every company that ought to do so, for sound business reasons, would move its sales offices and its general offices back where they ought to be, it would empty one million persons out of New York City.

Such a statement naturally arouses in the mind of every sales manager who hears it, the president of every company and every general manager who may have broad financial problems, a multitude of questions. The statement, however, is illustrated by the experience of our company, and the editor of *Sales Management* has asked that this experience be set down because the problems out of which it arose are common to a great many large business organizations today.

A brief statement of the facts will give the best picture of the problem that our company has solved. The Indian Refining Company has a plant at Lawrenceville, Illinois, covering 300 acres.

The company is capitalized at \$10,000,000. Its fixed assets are valued at approximately \$16,000,000. It carries an inventory of between \$3,000,000 and \$4,000,000. There are about 3,000 persons on the payroll, some 1,200 of them in Lawrenceville. The turnover

averages \$2,000,000 a month the year around.

Our company manufactures Indian Gasoline and Havoline Motor Oils and greases as its chief nationally-known brands. We have a full line of petroleum products. Our refining equipment includes complete "cracking" units. To move our products from the refinery we maintain 1,800 tank cars, rolling steadily.

Selling at a Disadvantage

Illinois is producing between 8,000,000 and 9,000,000 barrels of crude oil yearly from 16,731 producing wells. The Indian plant is consuming more than forty per cent of the state's total output. This, in brief, is the picture.

Now as to the problem that our company had been facing over a period of years. Selling, as every manufacturer must admit, is the vital thing in business management. After producing the best product that you can, selling, at a profit, is the goal. Manufacturing is done—to sell. Without profitable sales the whole structure fails.

For years we maintained our general sales offices and our general offices in New York City. It is human that sales management sees the territory most closely about it as its primary field for

selling. Out of the psychology of that situation our best selling efforts were turned very largely toward the Atlantic seaboard.

We went instinctively into direct competition with the refineries in and around Bayonne and the Philadelphia waters. Pipe lines deliver crude oil from the mid-continent, Wyoming and central and eastern fields to the Bayonne and Philadelphia refineries.

These and the New England refineries can get crude oil by ocean tankers from the Gulf Coast, Mexico, California and Venezuela. To compete with them our company had to absorb freight rates on motor fuels and other tank car products from Lawrenceville to the east. That laid a heavy penalty upon us, considering what a large part of our output was moved to that area.

Then there were other problems arising out of the distance between the center of our sales direction and the point where our products were manufactured. When an idea was born there followed many letters, telephone conversations by long distance and telegrams between plant and offices. A problem of sales policy or manufacture might be argued for days and then in the end be dropped because the time to act had passed.



"We were paying \$62,000 a year rental for our office space in New York City. For less than that we built the new three-story office building in Lawrenceville, with 30,000 square feet of space, and pay no more rent."

There were many railroad trips, back and forth, at big expense. Gradually we began to reason. Was there not a better way? Why not the general offices and the sales offices close to the plant? With branch offices and bulk stations covering the entire country, the middle west location for our offices was more logical and central for the control of our widespread organization.

With the offices located at the plant, it was pointed out, a sales idea can be brought up, discussed by all departments concerned, and either dead or in action in ten minutes. Our office force in New York was large. Could we induce them to go to Lawrenceville, a town of 7,000 population? To move the offices, bag and baggage, meant the transporting of more than 350 office workers with their families, out of New York to Lawrenceville.

Eliminating Lost Motion

Naturally there was opposition, a few were horror stricken at the thought. One or two department heads said that it could not be done. Our directors said it could. Those who refused to cooperate were replaced. A three story office building, 30,000 square feet of floor space, was built at Lawrenceville on the refinery grounds.

We were paying \$62,000 a year rental for our space in New York. For less than that we built the new building and pay no more rent.

When the building was done we mapped its floor. Chalk marks indicated where every desk, every file cabinet, everything even to the wastebasket, was to stand. Each piece of furniture was tagged and numbered in New York. One Friday night a department would be

closed. Movers would take charge. The next Tuesday morning the movers would have every desk and every file cabinet in place in Lawrenceville, Illinois, and the members of the departments would walk in, sit down, and go to work.

Transporting the families was another problem. Each household head was told:

"Your wife and your children can walk out of your house or apartment, lock the door, and turn over the key to a man we shall designate. We will get skilled movers who will enter your home, pack everything from your whisk broom to your piano.

Moving Back West

"All will be placed in your Lawrenceville home, unpacked and uncrated. Your new home will be swept out. There will be ice in your icebox, milk on your doorstep. Then you can take up your life again in your new home, in surroundings that will soon become more enjoyable than those in New York.

"If you will do that and will stay with us in Lawrenceville for six months, if you are not satisfied at the end of that time, we will reverse the order, move you back to New York without one dollar of expense to you."

Ninety-seven per cent of our home office sales force moved and here a compliment is due our sales manager, Mr. B. H. Anglin, who proved he could sell an idea, enthusiasm and loyalty to his employees as well as he could sell goods.

We completed our first year in Lawrenceville last January. Seventy-five per cent of the people who moved to Lawrenceville with us are still with us. Fifteen per

cent were returned because we found we could do without them. Fewer people could do the same work because proximity of parts allowed simpler procedure. Only about ten per cent returned of their own desire.

Soon other causes for satisfaction became apparent. There is much more outdoor life away from New York. Many have actively taken up golf and other healthful open air sports. Quite a few are buying homes, which they could not have done in New York. Many have motor cars who formerly could not afford them.

It is easy to figure that we have eliminated, in tangible and intangible expenses, not less than \$250,000 a year. We have a building that is ideal for work. It is open to natural light on four sides. The air is clean and the sunshine good. There are fewer conflicting and distracting influences than in New York.

Selling Closer to Home

So much for what it has done for our people. Now let us talk of another thing of vital importance to the company. When our sales force got settled here we discovered the importance of the vast market nearby for our products. It is the thing mentioned in the beginning, seeing the market that lies close to the general office. We began developing our sales in Illinois, Indiana, a part of Michigan, southwestern and western Ohio, and Kentucky. Here we could compete without suffering heavy freight rates which penalized us severely in the transportation of our bulkier goods, such as gasoline and kerosene, to more distant points.

(Continued on page 986)

Two Thousand Letters a Week

Steady mail campaign provides salesmen with all the leads they can use and pays for itself in profits made on sales in open territories

By E. J. Heimer

Secretary, Barrett-Cravens Company, Chicago

OUR primary outlet is through our fifty-two salesmen in all of the important industrial centers. Yet the mails play so large a part in our selling that this article must inevitably deal more with letters than with salesmen.

Most business men believe that they back up their salesmen with effective mail material. We carry our mail efforts to what might, at first glance, seem extremes. Yet we know, and can demonstrate beyond possibility of doubt, that it pays.

In every weekly mailing—which I shall describe in detail further on—there are included a good many prospects in territories where we have no salesmen. These prospects receive exactly the same letters as go out to those who are being called on regularly. Yet each mailing brings in so large a volume of business from these prospects outside of the salesmen's territories, that the sales commissions earned by the mailing—our office jargon for these commissions is "gravy"—almost pays for the cost of the whole mailing.

Two Typical Mailings

Here is how it works out, as demonstrated on two typical recent mailings. The total cost of 8,116 letters was \$305.04. Total sales which came in by mail as a result were \$4,344.50, of which enough came from outside our salesmen's territories to earn the mailing "gravy" of \$242.50.

We allow 2½ per cent as a reasonable mailing cost in helping our salesmen by mail. Thus 2½ per cent on sales of \$4,344.50 give an allowance of \$108.36. Add this to the "gravy," the total is \$350.86. Subtract the cost of the mailing, \$305.04, and we have as a net

profit earned by the mailing \$45.82. And if the mailing brings in by mail orders totaling over \$4,300, is that not proof that the salesmen will sell at least that much more as a direct result of the mailing?

back. We have shown our salesmen that we ask for only that information which we need in making sales easier for them. They have learned that our assistance increases their earnings.



To maintain a steady stream of leads for their salesmen, the Barrett-Cravens Company circularizes 2,000 names weekly from their card index of prospects. Every three months a "smash" mailing goes to the entire list.

All of our salesmen are on straight commission, with no advances or fixed income of any sort from us. Experience has shown that, in most businesses at least, straight commission salesmen are likely to be "independent," hard to handle, and downright insubordinate.

Yet we have no trouble of this sort. Working in the field on their own responsibility, and with practically no supervision, they turn in reports on all of their calls and give us all of the information a sales department conceivably can need from the field force.

The reason for this pleasant state of affairs is to be found in our direct-mail work with prospects. It can be traced directly

Acquiring the prospect's name is, of course, the first step. Let us assume that the Jones Manufacturing Company answers one of our magazine advertisements. If they ask no special questions which require an individual letter in answer, and if they are in a salesman's territory, we acknowledge the inquiry and tell them that the salesman will call. We hold this prospect's name, but do not place it on our mailing list as yet.

Salesman Martin calls within the next few days. We immediately receive a report, just as we should have received it if the salesman had dug up the prospect for himself. The report gives us the name of the person in the prospect's firm responsible for buying

our equipment, the nature of the business, and so on.

We have duplicated letters ready in advance for all of the ordinary situations that come up. The appropriate letter is filled in with the name of the prospect and the name of the salesman; we take the greatest pride in having fill-ins match the text exactly. So the prospect receives a letter such as this:

You were talking with C. E. Martin the other day about the material handling problems in your plant. He asked us to send you the attached information on Barrett Lift Trucks and Steeleg Platforms.

The more truckers you have using the old style trucks, and the busier they are, the greater your loss. It does not come from lost time or loafing, but from too much unnecessary labor.

All that loading and unloading, piling and repiling of materials can be eliminated by the use of Barrett Lift Trucks and our Steeleg Platforms. Your materials will be loaded on these platforms and moved from one operation to another without rehandling.

If you cannot make up your selection from the enclosed literature, do not hesitate to ask us for help—our engineer in your city will gladly call again and go over your conditions with you.

How Prospects are Filed

We notify the salesman that on January 14, 1925, we sent the Jones Manufacturing Company letter number twenty-seven, and a lift truck circular. A few days later the salesman drops in on the Jones people again.

Not every customer, by any means, buys our equipment on the salesman's second call—nor on the third, nor the fifth, nor the seventh. Let us assume that the Jones Manufacturing Company turns out to be such a prospect. Jones, the general manager, is a hard "nut" to crack.

Note that we, at the home office, know the name of the man who is responsible for ordering our equipment at the Jones plant. Our salesman, you recall, turned that in after his first visit there.

Once we had this information we could put the Jones Manufacturing Company on our mailing list. The card, tabbed at the top with a projecting numeral "17" shows that Jones is a candy manufacturer.

The Jones card is one of 32,000 in our file, which is geographically arranged and indexed. Each

Monday morning there goes out to 2,000 of the names a general letter. The mailing plan is simplicity itself. Each week a stenographer draws from stock four boxes, each containing 500 envelopes. She addresses envelopes and fills in letters until she has used up her envelopes; then she puts a clip in the file drawer to indicate where she left off, and goes on from that point the next week. Her 2,000 letters, each envelope addressed to an individual, and containing a



"Our salesmen never leave advertising matter with prospects. They take the prospect's name and send it in for our mailing list."

perfectly matched fill-in on the letter, are mailed on Monday morning.

So, within, at the longest, sixteen weeks of salesman Martin's first call, general manager Jones receives an "individual" letter of which the following might be typical:

You can earn additional money each month in the various departments of your business by applying a method that will do away with unnecessary handling and rehandling of materials—just like 16,000 other firms have.

Instead of piling and repiling, loading and unloading materials on and off of ordinary four-wheel trucks, handle them on inexpensive platforms with a Barrett Lift Truck. One truck and 50 platforms will replace an equal number of four-wheel trucks and three or four men. Besides that, the work will be accomplished in less time.

You can have it proved to your own satisfaction and without any investment that the method applies to your business. Merely signify your willingness by placing your signature on the face of this letter and returning it to us.

The 50 photos of installations in nationally known plants, together with the reading matter in the booklet we will send you, will prove interesting and may be a source of ideas to you. May we suggest returning the letter now—before it becomes misplaced?

This is the sort of letter which brings in, by mail, orders enough to pay for the mailing and leave a profit besides, when we subtract the mailing cost from the sum of two and one-half per cent on the mail orders received from it plus the "gravity" on sales outside salesmen's territories. Yet observe that the letter does not ask the prospect to order any equipment, but merely suggests that he send for a circular!

We never send any circulars with these mailings of 2,000. When a prospect asks for a circular, we send it and immediately notify the salesman so that he may call while the prospect is interested. A large number of these calls, of course, result in sales. The salesman profits and so do we.

How Salesmen Cooperate

Incidentally, we expect at least twenty-four reports from each salesman each week—and he does not make a report unless the prospect requires some attention from us, or unless a correction must be made on the mailing list.

Besides the regular weekly mailings of 2,000, we send out every three months what we call a "smash" mailing to our whole list.

Another point along these lines is that our salesmen have instructions to leave no literature with their prospects. When Mr. Jones tells the salesman, "Just leave me your literature," the salesman answers: "I shall be glad to have the home office send you any circulars in which you are especially interested, Mr. Jones. Are you considering a lift truck or a portable floor crane, a tractor or a portable elevator? All of our circulars are distributed from the factory." Nineteen times out of twenty, Mr. Jones gives him exactly the right information—or else the discussion is reopened and the salesman gets a chance to go ahead with his selling talk.

The reason for this is that we have found, in the past, that "just

(Continued on page 988)

How Sunbeam Chemical Company Staged a Comeback

Reducing the number of outlets, concentrating on one item, and making each territory pay its own way saves a company from the rocks

By Eugene Whitmore

THE Sunbeam Chemical Company started in business in 1917, in a rickety old building—a tiny little room on Ogden Avenue, Chicago, in a district where rents were extremely low. The product, Rit—a dye soap—seemed to catch on immediately. Orders were pouring in so rapidly that the little store room was crowded with clerks and shippers trying to ship out the product as fast as the orders rolled in.

In a very short time the company had national distribution, and was using full page advertisements in the most expensive media. A fashion which sprung up over night “made” the business. As quickly as it was physically possible, a big factory was erected in Chicago—then another in New Jersey and another in Wisconsin. The organization grew by leaps and bounds.

One product after another was added—a disinfectant, two new kinds of Rit, a shoe polish and dye, and several other products. For a time it looked as if the company would develop into an industry which ordinarily requires decades to build.

Broadening the Line

But all this growth, as all similarly rapid growth usually is—was too rapid. Things which ordinarily require years to accomplish were attempted over night. It was not foreseen that the company's phenomenal business was largely the result of a fashion whim, and not the result of sound merchandising. About the time the product was launched on the market there came a sudden vogue for crepe de chine and georgette blouses. Women were quick to adopt Rit to dye these dainty garments, so that they could disport themselves in a freshly colored blouse of a different hue every day.

As suddenly as the vogue blossomed, it faded—and passed along into the realm of bustles, pompadors, petticoats and other feminine frills which have a way of dropping out of sight so suddenly that hundreds of manufacturers are left high and dry with huge stocks of merchandise which are as worthless as so much junk.

The slump in the company's business started in 1922, but for one reason or another there was little constructive effort to rebuild the tottering organization or to regain the lost business which, as is now so apparent, was the child of a passing fashion fancy.

A Lavish Advertising Program

While the business was booming along at breakneck speed there was little effort made to control the merchandising policies. It was thought that everybody who wanted to buy Rit would develop into a good distributor. Grocery stores, delicatessen stores, dry goods stores, the “five and ten” chains—almost every conceivable type of retail outlet was sold. Jobbers in a dozen different lines were selling Rit, and the company eagerly welcomed all this business.

The other products which had been sold on the quickly gained reputation of Rit were not selling, and were loading up dealers' and jobbers' shelves, and piling up a liability of ill will towards the company.

All the time the company was expanding, profits were being plowed right back into the business—in added overhead, costly machinery and factories, branch offices—all the luxuries of distribution which so often seem necessities when a business is forging rapidly ahead and orders load every mail. The company's office

was a heavenly place for advertising solicitors and salesmen. For a time it looked as if the company bought every sort of advertising proposition which was submitted to it.

But in spite of the seeming extravagance in advertising, later developments showed that the company's generosity, and apparently prodigal expenditures, actually proved to be a sort of life saver which aided in keeping the organization afloat during the period of reconstruction when it seemed that the business was headed for the rocks.

From the summer of 1920 until the spring of 1922 the business made no progress. It literally lived off the advertising and sales effort which had been put forth between 1917 and 1920. One man who has been in close touch with the company's affairs said, “Our early advertising seemed to carry over into the period after all advertising was stopped, and the results seemed to keep us going.”

Starting to Rebuild

In 1922 there was a change in management, made necessary by the rapidly approaching financial crisis. The new management started in immediately to strip down to bare essentials and to get to the bottom of the company's troubles. The first step was to sell the factories, and cut the organization in half, close the elaborate system of branch offices and cut every expense to the quick.

With the money salvaged out of the sale of the factories and some of the machinery, the company was again established in rented quarters and the business again started to function, but with only a fraction of the former organization and expenses.

A careful survey of the situation was made. The new management scented a rising tide of ill will among all classes of distributors—both wholesale and retail. Experts were put to work on the product itself. The “family” of products were discontinued, and all efforts concentrated on one type of Rit—which was the original product. While this product was satisfactory there was, nevertheless, room for improvement. Women had always been used to boiling fabrics when they were dyed or tinted. Boiling was unnecessary with Rit, and the instructions so stated. But consumers do not always carefully follow instructions. Instead, they often decide to follow precedent. So many consumers persisted in boiling the fabrics which they dyed with Rit.

To overcome this weakness the product was changed so that in case a woman insisted on boiling the fabric when Rit was used, she would obtain the anticipated results. In other words, Rit was made foolproof. A line of fast colors was added to the original line of tints.

When the new management felt that the new improved product was ready for the market, the sales department had a plan of action. As is so often the case, the plans for staging a comeback were more complicated and far more difficult to put into operation than any plans for launching an entirely new product.

Reclaiming a Territory

Instead of being able to start right in selling the new product, it was necessary to untangle some of the snarls—to account for some of the mistakes—which had been made in the boom days when there was so much rush to keep up with orders that there was no time to formulate policies.

First, it was decided to take up all the old style Rit on the market. Naturally, in the prevailing financial condition of the company, it was impossible to undertake this on a national scale, so in August, 1922, a crew of salesmen was dispatched to Colorado and the work of “beating back” started.

These men started in to take up all the Rit which they found on dealers’ shelves, exchanging

the old merchandise for the new improved Rit, and selling the dealers as much of the new product as was deemed wise. The men were instructed to take up all of the other products—the two discontinued kinds of Rit—the disinfectant, and the shoe polish. It was an expensive policy, but right from the start it was evident that it was the one way to regain the good-will of all distributors.

When the salesmen started work in Colorado they met with all sorts of obstacles. It had been decided to confine the distribution to drug and dry goods jobbers and to make no more effort to put Rit in grocery, delicatessen and other types of stores. The new management recognized that the product was essentially a drug, dry goods, and department store proposition. So in spite of the fact that thousands of dollars worth of immediate business could have been obtained from these other sources, no effort was made to extend the distribution past the drug, dry goods and department stores.

Cutting Out the Frills

When the work was completed in Colorado, no further attempts were made to extend the new policies into other territories. Colorado was to be a sort of testing ground—a laboratory—for proving out the new policies.

The territory was nursed along and carefully watched for a year. Local advertising was used and the dealers given every possible help and assistance in re-establishing the sale of Rit.

By September, 1923, the new policies and sales methods had been proved correct. So a new crew of salesmen was organized in Kansas City and put to work. It was a slow, tedious and expensive task—this taking up and exchanging old merchandise for new—the regaining of jobber and dealer good will, and the rebuilding of distribution. But every effort was made to make a thorough job.

As fast as one territory was straightened out and distribution regained for the new improved Rit, local newspaper advertising was started. The Kansas City crew worked south all winter. Another crew was organized in Chicago and worked east. In the spring of 1924

both crews met in Philadelphia and started working the East.

Territory by territory, the entire country was covered. Then the company was ready to re-enter the field of national advertising. Since, regular space has been used in national media.

The product has been so carefully and constructively merchandised that it is now a household necessity—no longer dependent upon the whims of fashion—but a steady, day in and day out seller, enjoying a national distribution in outlets where it belongs. It has been lifted completely out of the “war bride” classification.

Today the headquarters are still maintained in the rented space which was acquired when the re-organization plans were begun. But on one floor of a large factory building the company can now turn out as much merchandise as it once manufactured in three factories with two or three times the organization. There are no frills in the business today. It is making sound, steady progress and fair profits.

From the time that the first campaign under the new management was started in Colorado, each territory has had to pay its own way. No advertising or sales promotion expenses have been incurred in any territory which did not pay its own way. In other words, every dollar of promotion money has first been earned by the territory in which it was spent.

Only One Stable Course

“Our ‘comeback’ has taught me more in a few years than I could have learned in ten or fifteen years in a new business or in a business which was sailing along smoothly,” said one of the men who has been largely responsible for the company’s new policies and methods.

“There was only one way to ‘come back.’ That was to rebuild the lost good will, start at the bottom, go slowly, concentrate all efforts on one territory at a time, and make no promises to dealers and jobbers which could not be lived up to the letter. It has not been a spectacular procedure—rather a slow, steady grind, but we feel that such a policy is better than the opposite one which was perhaps responsible for the company’s original difficulties.”

Why Sales Managers Should Work for the Dull Season Inventory

How the Artificial Trade Dullness at New Year's Can Be Eliminated By Taking Inventories in Slack Seasons

By Arthur A. Friestedt

President, United States Music Company, Chicago

AT first thought sales managers may think they have little or no interest in whether or not inventory time comes at the first of the year, the middle of the year, or at some other time.

But I can think of no other executive in the average business who is really more concerned about inventory than the sales manager. For when his customers slow up business, cut down stocks, and devote all their energies to taking inventory and closing the year's business at a time of the year when business is best, his department suffers.

The Inventory Slump

Let me give you a concrete example, taken right out of our own experience. As everybody knows, December ought to be the best month in the year for the music business—particularly the music roll business in which we are engaged. Merchants should be carrying their heaviest stocks at this time of the year. But instead of being able to take care of the natural demand which exists at this time of the year, thousands of them cut down stocks to the lowest possible point, so that inventory time—which usually starts the day after Christmas—will show that stocks are low.

This fetish for cutting down stocks just prior to inventory time has been carried to such a point that in thousands of retail stores stocks are too low to take care of the demand during December. It is nothing uncommon for buyers of certain departments in many stores to get panicky and begin canceling orders around December the first. The specter of inventory time gives them the "jimmies" and in their anxiety to reduce stocks they cancel and hold up shipments

until stocks are reduced to the point where sales are badly hampered.

How many sales managers have to sit idly by during the first two weeks of January and see their men idling around the factory, or at home because it is useless to try to sell anything until the trade has completed the annual taking of inventories? This waste alone runs into millions and directly affects the efficiency of the sales manager and adds to the already burdensome cost of selling.

I know of dozens of large organizations of salesmen that virtually mark time from the middle of December until the middle of January because of inventory. Before Christmas merchants are too busy to see salesmen—or they are "not buying until after inventory time." After Christmas they will not buy until inventory is taken and the books are closed, because they want to "see how we stand" before placing any orders.

Thus in many retail stores there is nearly a month of inaction due

Adopt a Fiscal Business Year

MINIMIZE the artificial trade dullness about New Years, that is created by cutting down essential stocks and diverting productive energy into unproductive channels to facilitate a calendar year accounting.

The U. S. Internal Revenue does not require a calendar business year, nor is December 31st any more propitious for paralyzing trade, than for swimming or planting crops. Don't defy the Seasons—work with them. Our annual accounting period has closed June 30th for four years.

This space donated to the Music Industries by the United States Music Co.

The United States Music Company is devoting its entire business paper appropriation to promoting the dull season inventory idea.

to inventory. And the tragic part of it is that this month is usually the busiest month of the year—a time when stocks should be at their peak. We have only to think of the jewelry business to realize how futile it is to start cutting down stocks in anticipation of the annual inventory which comes right after Christmas.

For the past five years we have been using the fiscal year plan, and when I say that there would be a rebellion among our workers if we attempted to go back to the old plan of using the calendar year as a business year, I am putting it mildly.

When we closed our business as of December 31, everybody from myself on down to the office boy was pressed into service to aid in taking inventory, because our stocks of necessity had to be heaviest at this time of the year. Even our salesmen were called in off the road.

After fourteen years of experience in taking inventory at the last of the year, or the first week in January, it finally occurred to me that there was no real reason for it except custom. So I had a talk with our auditors about changing the date. They told me that it would be just as feasible to take inventory as of June 30 as it would be to upset the business at the busiest time of the year. So we made the change, and as I said above, we couldn't be induced to go back to the old date for inventory under any circumstances within our control.

Working With the Season

Hundreds of business men seem to think that the government requires income tax reports to be made on the basis of a calendar instead of a fiscal year. This is a mistake. All that is necessary to change over to the fiscal year from the calendar year is to make application to the collector of internal revenue for your district. This application is nothing more than a notification blank, which must be sent in thirty days prior to making the change.

While we have found that it is most convenient for us to end our fiscal year in June, this month may not be convenient for many other industries. We selected it simply

because it was the dulllest time of the year. Instead of working against the season, which we cannot change, we now work with it. In other industries some other month may be better. At any rate it makes no difference to the government what month you choose, so long as the application for the change is filed as required.

While our interest is confined principally to the music trades, it seems to me that there are dozens of industries which could take up the idea very profitably. There are many lines which are extremely dull in summer, despite all efforts to eliminate the "summer slump." As a rule these industries are busiest around the first of the year. Instead of doing all the unprofitable and time-consuming work of closing the year's business in the busiest time of the year, isn't it better to use the dull period for this unproductive work?

If half of the business enterprises in the country would adopt the fiscal year instead of the calendar year it would even up the government's work to a great extent by ending the horrible congestion which always comes just prior to March 15.

All Around Benefit

Every sales manager who is in an industry where the dull period comes in the summer could do his industry an incalculable service if he would have his salesmen urge all retailers to end this archaic custom of taking inventory just after Christmas. Thousands of retailers would adopt the plan if they but knew the government would gladly accept their income tax returns for any fiscal year instead of a calendar year.

We think so well of the idea that we have been using cover page advertisements in all the important music trades publications to promote it. We have spent thousands of dollars in trying to put over the idea, because we are convinced from our own experience that the savings to the industry and the eventual benefit accruing to us will more than pay us for the time, money and effort we have expended in promoting the plan of taking inventory during the industry's dull seasons instead of the busy season.

It seems to me that there are hundreds of sales managers who could well afford to urge their salesmen to promote the fiscal year plan among their retail customers. Vacation time comes in the summer in most sales organizations. If merchants devoted a week in June or July to inventory, when business is naturally at its lowest ebb, many of the salesmen would be on vacation, and would, therefore, encounter no interruption of their traveling schedules. But when practically every merchant is head over heels in inventory at the beginning of the year, hundreds of salesmen find it virtually impossible to make expenses if they are brave enough to try to travel at all.

Eliminate One Dull Season

All of our efforts to promote the mid-year inventory have been centered on the retail trade because it is the retailer who has the final contact with the consumer. By taking inventory in December or January, merchants are actually creating an artificial trade dullness about New Year's that is the direct result of cutting down essential stocks and diverting productive sales energy into unproductive channels, to facilitate a calendar year accounting.

If sales managers, through their salesmen, can induce merchants in all lines of business to adopt the fiscal year plan we will automatically go a long way towards eliminating one dull season of the year. Instead of having to put up with the regular seasonal dullness, as a result of the weather which we cannot change, and another dull season as a result of inventory, we will have only one dull season, and that in the summer, when business is dull for reasons beyond the control of business.

Art in advertising was the general subject of discussion at the June 23 meeting of the Advertising Club of Denver. Edwin I. Checketts, president of the Artists' Association, was in charge of the program. Interest in the subject was heightened with a generous display of art work by members of the association. Frank Carruthers gave a short talk on "How a Trade Extension Tour Can Advertise Denver."

III. The Legal Aspect of the Relation Between Advertising Agent and Client

By Roy W. Johnson

IT is very difficult to escape the conclusion that the relationship between the advertising agent and the client is that of agent and principal, whether the parties to the contract intended to establish that relationship or not. And this conclusion is supported by an examination of the history of advertising agency development. Though it is true that advertising agencies have sometimes represented themselves as the "agents" of the publisher, and have talked more or less about the "service" they rendered to publishers in the creation of new advertisers and the like, I cannot find any evidence that they have ever, in point of fact, been legally the agents of publishers at all.

Sidelights from Agency History

Without a shadow of doubt they have been of great service to publishers, in the sense that their work has been of vast benefit to the sellers of advertising space, and this is undoubtedly what has confused the issue in the minds of many people. But so far as I have been able to discover, this service to the publisher has always been rendered in the capacity of an agent of the ultimate user of the space, or, as in the early days, a middleman or broker in the commodity which the publisher had to sell.

In the beginning, the advertising agent was to all intents and purposes, merely a wholesaler of publication space. He went to the publisher and purchased a quantity of advertising space in bulk, which he resold in smaller quantities to advertisers. He bought the space for as low a price as he could get the publisher to agree to, and sold it for as high a price as he could persuade the advertiser to pay. He called himself an "agent," but the term in the legal sense was a misnomer.

His contracts with the publisher were contracts of sale, not of agency; he made an outright purchase of the space; and if he did not succeed in reselling it to an advertiser he was none the less obliged to accept it and pay for it. In a number of instances it became a problem with the early agencies to make profitable use of these accumulations of unsalable space, and they frequently found it convenient to market proprietary articles of their own, using this surplus space in promoting their sale.

The late George P. Rowell, for example, who established an agency in the early '60s, tells of a number of such enterprises in his book, "Forty Years an Advertising Agent." The manufacture and sale of Ripans Tabules, a widely known proprietary remedy a generation ago, was carried on for many years by the Rowell Agency in this way.

Little by little, as advertising policies became more settled, and agencies multiplied, it became necessary for the agent to give the advertiser service in addition to supplying him with space. At the same time the publishers began to gravitate in the direction of a definitely established rate for their space.

Not a Publisher's Agent

As a result, it ceased to be profitable for the agent to buy large quantities of space on his own account, and his contracts with publishers began to be made more and more on a brokerage basis. He bought no space until he had located an advertiser who wanted it, and if he did so, the publisher agreed to allow him a compensating differential on the price. This did not constitute him the publisher's agent, however, for the agency was not subject to the direction or control of the publisher, and actually received his compensation or

"commission" direct from the advertiser. If the advertiser did not pay it, he could not collect it at all.

As the demand for service on the part of the agents grew, it became increasingly necessary for them to make contracts with the advertiser direct, and these contracts were contracts of agency. The differential or commission allowed by the publisher, which had been more or less standardized at 15 per cent of the publisher's rate card, was simply retained as a convenient and on the whole an equitable measure of the value of the agent's services.

The Force of a Contract

It is worthy of notice that throughout the whole period of advertising agency development, the publishers have been in the habit of hiring their own salesmen and special representatives, who are unquestionably their legal agents, and a large part of their duty has consisted in presenting the merits of their space to advertising agencies.

If it be assumed that the advertising agents are the agents of the publisher, the special representative who tries to sell space to an agency is performing a curious work of supererogation. The publisher is employing one set of agents to sell his goods to another set; in strict terms, he is hiring somebody to sell his own merchandise to himself!

In short, I cannot find any evidence that the advertising agent ever was the legal agent of the publisher, though there is not much doubt that many agents have thought that they were. The survival of the so-called commission system from an earlier period, together with the system of "recognition" adopted by the publishers, is probably responsible for this. The commission system has survived, however, mainly because it

makes it easier for the agent to sell his services, and for the publisher to sell his space in consequence. The "recognition" system is merely a convenient method whereby the publisher can select the customers with whom he prefers to deal. Both of these devices could be abandoned tomorrow, without changing the legal relationships of advertising agents in the slightest degree.

Now the practical force of a contract of agency such as exists between an advertising agency and its client, is this: that the client becomes responsible for all the acts of his agent that are done within the limits of the latter's authority, and that he is responsible for them to the same degree as if he had performed the same acts himself. He is also responsible to the agent for full compensation for all acts performed by the agent within his authority, up to the termination of the contract by which the authority is conferred.

Authority Should Be Defined

The agent in turn can hold his principal responsible only for such acts as he has been given authority to perform, and is entitled to compensation only for acts so authorized, which have been performed during the term of the contract. Thus it is a matter of primary importance to both parties (and to both equally) to have a definite understanding as to the precise limits of the authority that is delegated to the agent, the precise manner in which it may be terminated, and exactly what the agent is entitled to claim as compensation for acts that have been authorized, but which are only partly completed when the contract is terminated.

Many, if not most, of the disputes between agents and their clients arise from the lack of an understanding as to those particulars. The quite general habit of basing agency agreements upon informal letters of employment, outlines of working agreements, and the like, simply means that nobody knows definitely where the agent's authority begins or ends, or what the obligations of the client are in case he decides to end the relationship entirely.

Mr. Montague's legal opinion on the eleven agency contract forms submitted to him, brings out this point clearly. He says:

Under every advertising agency contract examined (i.e. the agreement, understanding, basis of service, or relationship between advertising agent and advertiser) one or more of the following questions may arise:

(a) Does the advertising agency contract place all the advertiser's advertising in the advertising agent's hands? If not, what advertising, if any, can the advertiser place elsewhere, or handle otherwise?

(b) In what form must the advertising agent procure the advertiser's approval of copy? The advertiser's authorization to incur space expense? The advertiser's authorization to incur art expense, and other expense?

Questions That Arise

(c) Is the advertising agent's commission computed on the total space occupied by the advertiser's advertising, including space occupied by advertising placed by the advertising agent and also space occupied by advertising which the advertiser has placed elsewhere, or handled otherwise?

(d) Is the advertising agent's commission computed on the total space contracted for by the advertising agent with the advertiser's authority? What is the answer if part of this space be (1) canceled, or (2) occupied with advertising copy prepared by the advertiser by another advertising agent, or prepared by the advertiser's own advertising department after the advertiser has declined to approve the advertising agent's copy?

(e) What is the duration of the advertising agency contract? When, and by what formalities can the advertiser terminate it?

(f) After the expiration or termination of the advertising agency contract, is the advertiser liable to the advertising agent for commissions on all space contracted for by the advertising agent with the advertiser's authority? What is the answer if this space be (1) canceled, or (2) occupied with advertising copy prepared by the advertising agent and approved by the advertiser, or (3) occupied with advertising copy prepared for the advertiser by another advertising agent, or prepared by the advertiser's own advertising department? (4) What are the answers to each of these questions as regards advertising copy embodying ideas or slogans previously suggested by the advertising agent to the advertiser? (5) What are the answers to each of these questions as regards space contracted for by another advertising agent, or by the advertiser's own advertising department?

(g) Between the date of notification to terminate the advertising agency contract and the date of actual termination, what are the answers to each of the questions in (f) above?

Some of the questions above outlined in (a) to (g) inclusive pivot on the meaning of the phrases "handling advertising," "placing advertising," "net," "space used,"

"copy executed," "completion of work begun," "completion of contracts made on your account," "completion of orders in hand," etc., in the advertising agency contracts examined, and on the exact point or stage or time at which advertising is deemed to have been "handled" or "placed," or space is deemed to have been "used" or "copy" is deemed to have been "executed" or "work" is deemed to have been "begun" or "completed," or "contracts" are deemed to have been "made" or "completed," or "orders in hand" are deemed to have been "begun" or "completed."

Under every advertising agency contract examined (i.e. the agreement, understanding, basis of service, or relationship between advertising agent and advertiser) it appears that—

(h) some or all of the above questions are wholly unanswered, or

(i) some or all of the above questions are answered quite differently from what the advertising agency contract would have provided if, at the time it was being made, the advertiser and the advertising agent had had these questions in mind.

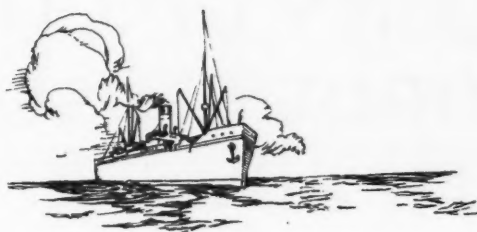
These sometimes are highly practical questions, as appears from the recent case of *Ayer et al (N. W. Ayer & Son) vs. United States Rubber Company* (Court of Common Pleas, Philadelphia County, Pennsylvania, April 18, 1923, judgment affirmed, Supreme Court of Pennsylvania, 1925.)

A Case in Point

There the advertising agency contract was contained in letters, signed by the advertiser and accepted by the advertising agent, which letters provided that the advertising agent was to serve us as advertising agents, and handle our tire advertising, and place all our newspaper and periodical advertising (regarding tires) as ordered by us, during one year from the date of your acceptance, and thereafter until this agreement is terminated by at least three months' written notice by either you or us. You are to secure for us the best terms you can, charging our account just what you credit the parties with whom you deal To the aggregate of the charges for which provision is made above you are to add fifteen (15) per cent (later changed to 16 2-3 per cent) for your service and compensation Subject, however to the agreement on the part of your firm to so equip your New York office with such men as to give us at all times the service that the demands of our account warrant in our judgment. We have entered into this arrangement with you after many conferences and correspondence in which we have set forth what we expect and hope for from your organization and want to assure you of the fullest cooperation on our part in order to secure the best results.

During the summer and autumn of 1919, the advertiser and the advertising agent discussed the rescission of the advertising agency contract, and the advertiser stated that although it was dissatisfied with the advertising agent's work, it would continue the relationship from month to month and week to week to give the advertising agent an opportunity to show that it could

(Continued on page 976)



ENGLAND and AMERICA are facing their greatest opportunity

FORTY-ONE per cent of the world's international trade is controlled by Great Britain and America.

Fifty-four per cent of all merchant shipping flies the British or American flag.

Today as never before world trade looks to England and America for leadership.

Here lies the opportunity for these two nations to establish international trade on a firm and lasting foundation.

England's centuries of experience in penetrating remote corners of the globe have blazed the trail in *opening up* new markets.

America, in keeping pace with her own rapidly growing population, has been forced to develop in advertising a means to *sell* to new markets.

Working together England and America can combine their experience to the advantage of both. Upon this sound basis of large scale marketing and selling will be built the future of world commerce.

J. WALTER THOMPSON COMPANY
Advertising

NEW YORK CHICAGO BOSTON
CINCINNATI SAN FRANCISCO
• LONDON: *Bush House, Aldwych, W. C. 2*



IF THE DAILY CIRCULATION OF
INTERBOROUGH SUBWAY AND
ELEVATED ADVERTISING WERE
CLASSSED AS THE POPULATION
OF A CITY ~ IT WOULD BE THE
2nd LARGEST IN AMERICA

*This is The Way
it Would Compare*

NEW YORK

POPULATION

6,000,000

INTERBOROUGH

"POPULATION"

3,000,000

CHICAGO

POPULATION

2,943,000

PHILADELPHIA

POPULATION

1,952,000



INTERBOROUGH ADVERTISING

Subway & Elevated Car Cards & Posters

CONTROLLED BY

50
UNION
SQUARE

ARTEMAS WARD, Inc.

NEW
YORK
N.Y.

Thirty-Eight Percent Sales From Advertising Inquiries

Demonstration Outfit Shipped to Prospects in Place of Sending Salesmen Solves Problem of Quick Follow-Up of Inquiries

By L. J. Steffen

Sales and Advertising Manager, Hough Shade Corporation, Janesville, Wisconsin

FOR many years our products have been widely advertised and sold as Vudor porch shades for residences. But with the advent of steel sash for factories, we developed a new market for a shade, which, while substantially similar to our regular porch shades, was especially fitted for use in industrial buildings where steel sash are used.

It was necessary to develop a new sales force, or rather to find some means of covering the entire country rapidly, as our marketing plans included advertising from the very start. We knew that it was a waste of money to advertise for inquiries if we had no salesmen to follow them up quickly and carefully.

Cashing In On Inquiries

Building a force of personal salesmen is, as everybody knows, a slow task. It cannot be done successfully over night, especially where the unit of sale runs into big figures and where the salesmen must call upon the very highest type of business executives.

In order to cash in on all inquiries from our advertising just as rapidly as they came in, we developed a method, which we termed our "Silent Salesman Plan." It enabled us to follow up every inquiry quickly and effectively, even though we were unable to send a salesman in person.

This silent salesman is nothing more than a small model of our shade mounted on a regulation steel sash—that is, regulation in every way except size. This sash and shade were fitted into a specially made trunk. As fast as inquiries came in we dispatched one of these demonstration outfits to the prospect and permitted him to sell himself.

Immediately upon receipt of an inquiry we sent a special delivery letter to the prospect announcing that our silent salesman was on his way to visit the prospect. "He is a little fellow only twenty-two inches high" the letter stated, "but the message he brings you is a solution to one of your vital problems. In a few days a Ra-tox 'Silent Salesman' will arrive at your office.

He will come by express. He will take but a few minutes of your time. The key accompanying this letter unlocks this salesman.

"Retain this key for a few days until the Ra-tox 'Silent Salesman' arrives, please. During your leisure moments give him an audience. Look over his wares.

"We believe you will agree that we have extended a real service.



"In order to cash in on all inquiries, we developed what we call our 'silent salesman,' which is nothing more than a small model of our shade mounted on a regulation steel window sash, fitted into a specially made trunk."

If we have not demonstrated our right to your time, sending the 'Silent Salesman' on his homeward journey will relieve you of all obligations. We will be happy to have visited you and obliged to you for the return of this silent member of our sales staff."

This letter was mailed about the same time the trunk was shipped. Perhaps the same day, or a day or so later after the prospect received the letter, the trunk was delivered at his office. Instead of having to wait outside closed doors, our "silent salesman" was invariably delivered right to the office of the man who had the authority to buy.

The Plan Worked!

When we outlined the plan, many sales and merchandising men advised us that it would be a waste of time. "You can't sell a big executive, whose time is all taken up, with a mere demonstrating outfit," they told us, "and what is more, you'll never get the trunks back, people will lose the keys and you will be in hot water all the time."

But it didn't work out that way. In the first place the "silent salesman" sold 38 per cent of all prospects, and we never lost a key, or a trunk, nor did we experience any serious delays in having the trunks tied up with one prospect for an unreasonable length of time.

One of the first large sales which we closed shows how the plan worked. Before we had a sales force in New York, we got word that a large textile manufacturer was about to equip his building with competitive shades. We telegraphed him requesting that he withhold decision until our "silent salesman" arrived. In a day or so after our trunk had been delivered, we received a telegram from the president of the company requesting that we send a salesman at once. His factory was a large one, and the installation was more or less complicated. We immediately sent a salesman who found that the little trunk had made the sale. The salesman was needed only to figure out the details and specifications.

In selling our product through salesmen the process is usually a complicated one. First, our salesman must see the factory superin-

tendent or man in charge of production. He may agree that our shades are just what he needs. But he has no authority to buy. He offers to "take it up with the boss" and see what can be done. Perhaps the boss is away, or busy, or unwilling to talk. Usually three or four men have to be consulted before the big boss can be approached.

Then the selling must be done all over again. By the time the order has finally been placed, a lot of time has been spent selling our proposition over and over again to several men. But when our "silent salesman" arrives, the very novelty of the plan immediately catches the chief executive's interest. He unlocks the trunk, reads the instructions and the accompanying letter. The chances are that he will send immediately for the various men from the factory who will have some "sayso" in the purchase of shades. When they arrive at his office a decision can be made in a few minutes. There is less waiting and delay, because in a case like this it is the boss who is chiefly interested, and as a rule it is easier for him to "sell" his ideas to the subordinates, than it is for the subordinates to sell their ideas to him.

Our "Silent Salesman"

Every time one of our "silent salesmen" went out, we included in a little pocket, just inside the trunk, a letter to the man who was to receive the trunk. The letter contained full instructions for opening up the exhibit and operating it. Our idea was to influence the man to take out the model sash and set it up on a table on a level with his eyes, so that it would make the most favorable impression.

From then on it was up to the demonstration outfit to sell itself. We kept twenty-four "silent salesmen" busy. As I said before, they sold 38 per cent of all prospects, and the average order amounted to more than \$300.

As fast as we built up a sales organization, we discontinued using the trunks, but they had proved so successful that all our salesmen are now using them in their regular work.

This plan enabled us to go right ahead with our advertising as soon

as the product was ready for marketing. There was no time lost while we hired and trained a sales organization.

By the time we had a salesman ready to enter a territory we had already sold several important installations in that territory. Instead of having to go into a territory where there were no installations to refer to, practically all of our salesmen have been able to refer their prospects to satisfied customers who were sold by our little twenty-two inch "silent salesman."

Trunks Used by Salesmen

The plan brought many inquiries from concerns in varied lines of business who wanted information about the success of the idea. In one town a prospect took the trunk to a meeting of the local chamber of commerce and displayed it at one of the regular weekly luncheons.

The trunks are still useful when our salesmen are flooded with inquiries which cannot be followed up quickly, or in cases where inquiries come from isolated districts. When a salesman receives an inquiry which he cannot attend to promptly, all he has to do is to dispatch a trunk to the prospect. Even though the trunk doesn't actually close the business, it will often save the business until the salesman personally can visit the prospect and close the order.

In many cases we have saved large orders simply by sending the "silent salesman" and asking the prospect to withhold buying until a salesman can call.

At the annual meeting of the Canadian Association of Advertising Agencies, held June 16 at the King Edward Hotel, Toronto, the following board of directors was elected: C. T. Pearce, president; C. T. Soloman, vice president, and E. Desbarats and F. H. Hayhurst, board members.

The Northwest Fruit Distributors, Seattle, Washington, the new nation-wide fruit marketing organization of the Pacific Northwest, has adopted "Snoboy" as a brand name for fresh fruits and vegetables. The distributors will operate in the principal fruit districts of the Pacific Northwest.

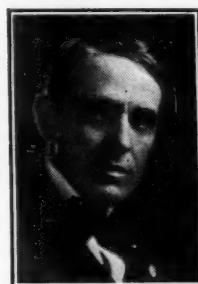
Some "Meaty" Facts

*from a recognized agricultural economic authority**

KANSAS for its crop year of 1924-25 had an Available Cash Income of \$332,500,000. This was cash sales less taxes and interest. This available farm income exceeded that of any other state in the "wheat belt" by 37.2 per cent, and only four other states in the Nation had as large or larger available incomes.

The Purchasing Power of this Kansas income is 117.2 per cent of the pre-war average of 1909-10 to 1913-14. This index figure represents the amount of goods which the income would purchase at prevailing prices. Only two states with as great a total income have as high or higher index figures for Purchasing Power.

For the first five months of 1925, Kansas Farmer made a greater gain in Commercial Advertising than any other weekly state farm paper, with two exceptions. It has also gained every issue since May.



Arthur Capper
publisher of
Kansas Farmer
says:

"In recent trips through Kansas, I have been impressed by the healthy optimistic conditions of Kansas agriculture and business. While our wheat crop will be somewhat below normal in production, the price promises to be well above that of last year. Kansas is in good condition."

* Figures for available cash income, and index of purchasing power are from reports of the Brookmire Economic Service, Inc.

KANSAS FARMER

AND MAIL & BREEZE

Arthur Capper, Publisher

Marco Morrow, Ass't. Pub.

Topeka-Kansas



Six Newspapers and Ten Million People

Ten million people live within the trading areas of the six cities covered by these newspapers:

BOSTON AMERICAN
CHICAGO EVENING AMERICAN
DETROIT TIMES
ROCHESTER JOURNAL
SYRACUSE TELEGRAM
WISCONSIN NEWS (Milwaukee)

Ten million people! Enough to permit any advertiser to accurately test the possibilities of a product designed for general distribution. Boston, Chicago, Detroit, Rochester, Syracuse

and Milwaukee represent six clean-cut markets. Each of them through the newspapers listed above offer the ideal combination of buying power, concentrated population and intensive circulation coverage. As a COMBINED MARKET the field covered by this newspaper sextette is of itself of tremendous importance.

These six newspapers, used as a group or separately, offer advertisers pulling power that produces sales at a real profit.

Detailed information as to rates and circulation may be obtained by addressing the nearest office of the group:

EASTERN OFFICE:
2 Columbus Circle, New York City
R. E. Boone, Manager

WESTERN OFFICE:
Hearst Building, Chicago
H. A. Koehler, Manager

NEW ENGLAND OFFICE:
Hearst Building, Boston
S. B. Chittenden, Manager

BOSTON AMERICAN ROCHESTER JOURNAL
CHICAGO EVENING AMERICAN SYRACUSE TELEGRAM
DETROIT TIMES WISCONSIN NEWS (Milwaukee)



Underwood & Underwood.

The "chemical industry" is not limited only to those industries which produce chemicals, but includes many other industries where chemical engineering plays an important part in manufacturing processes.

Pitfalls to Avoid in Selling to the Chemical Industry

A Discussion of Some of the Important Factors to Be Considered in Approaching the Chemical Market

By a Member of the Dartnell Editorial Staff

IN the field of chemical engineering, the technical man is supreme to an extent that is probably true nowhere else, and when it comes to the purchase of equipment, supplies or materials, the technical directors of the various concerns included in this classification are practically absolute monarchs.

Success in selling to other branches of industry in which the technical man is more or less of a factor, may be no indication at all as to what may be expected from the chemical trade. Concerns that have dealt successfully for many years in the chemical engineering field assert that, like the heathen Chinese, it is "peculiar," and this is amply corroborated by evidence gathered in the field itself.

Before going on to a discussion of the reasons for that peculiarity, and the conditions that follow as a result of it, it will be as well to define more particularly what is meant by the term "chemical engineering field." For as a matter of fact we are not dealing here with

a homogeneous unit as is the case with most of the other industries discussed in this series. The field of chemical engineering cannot be isolated as a vertical cross-section cut out of industry in general. It is rather a horizontal section, spread across a rather wide variety of businesses, and of varying degrees of importance in each. The "chemical industry," using the term to its limited, exclusive sense as referring to the manufacture of chemicals, is relatively only a small part of the field in which chemical engineering is a large and important factor.

Divisions of the Industry

The principal chemical engineering industries, so called, in the United States, arranged in the order of their importance according to the value of their products, are the following:

	1923 Production
Petroleum refining	\$2,797,000,000
Paper and pulp.....	1,000,000,000
Rubber	954,000,000
Sugar refining	726,000,000
Glass and pottery.....	423,000,000
Paint and varnish.....	384,000,000

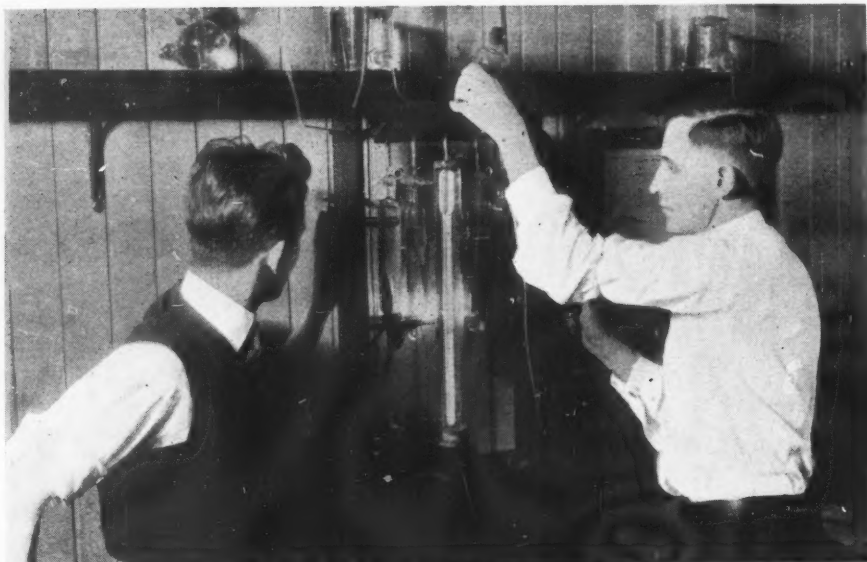
Cement and lime.....	\$284,000,000
Soap	276,000,000
Fertilizer	183,000,000
Salt and sodium compounds.	146,000,000
Artificial silk	106,000,000
Plastics (celluloids, etc.)....	102,000,000
Acids	80,000,000
Explosives	75,000,000

(Figures supplied by Chemical & Metallurgical Engineering.)

Now it is obvious that most of those industries carry on many activities that are not within the field of chemical engineering at all, and buy thousands of products which do not come under the jurisdiction of the chemical engineering staff. In connection with petroleum, for example, there are vast activities in producing, transporting and marketing which are outside the classification.

The same is true of the soap manufacturer, the fertilizer concern, the portland cement manufacturer, and so following. But the chemical engineer is more or less of a factor in all of them, and reigns practically supreme in his own field of activity.

It frequently happens that a manufacturer may have two sets



Underwood & Underwood.

In selling to the chemical and allied industries the technical director usually says the deciding word in matters of purchases.

of conditions to meet in selling equipment or supplies to the same company. The manufacturer of valves and pipe-line fittings, for example, may be successful in selling an oil company equipment for the transportation of crude oil by dealing with the purchasing department alone, yet fail signally with the same tactics as applied to valves and fittings for use in one of the refining units. A salesman may have been a whirlwind of a success at selling one class of equipment to the rubber companies, and prove an absolute failure at selling an apparently similar product to the same companies. Apparently he is dealing with the same purchasing staff, and the same general conditions; actually he may be dealing with something entirely different, because he has gotten over into the territory in which the technical director is supreme.

An actual incident will serve better than several pages of description to indicate what that problem generally is.

A manufacturer of enameled steel tanks and piping received an inquiry from a big pulp and paper mill, requesting a set of test cups coated with different acid-resisting enamels. No clue was given as to the purpose the prospect had in mind, or the acid with which the equipment was to be used. The cups were sent, the prospect made his own laboratory tests, and in due course the manufacturer was requested to send a salesman, who

came back highly elated with an order for something like \$40,000 worth of steel piping, coated on the inside with one of the enamels submitted.

The enamel in question was one that was mainly used in breweries, to resist the acids in beer. So far as the sales manager could remember, it had never been used in a pulp mill, and perhaps they had been overlooking something. So he called the salesman in and asked him if he knew what purpose the customer had in mind. "Sure thing," said the latter. "I asked the technical director, and he wouldn't tell me, but I found out from one of the mill superintendents. They've been using a glazed tile pipe-line for sulphurous acid, and they've had trouble every time the ground freezes. They're going to put a steel pipe six feet under ground."

The sales manager nearly hit the ceiling. Sulphurous acid! "If that sale goes through," he told the salesman, "and the mill superintendent happens to remember for six months that he tipped you off, it will kill us with the company forever. We have got to head the thing off somehow."

Under the conditions, however, it was a difficult matter to head it off, without getting the mill superintendent into hot water on the one hand, or casting reflections upon the technical staff on the other. As a matter of fact, the pipe was delivered before the sales manager could find a suitable excuse to

go up and tackle the job of getting the company to scrap the material or find other use for it, and at the same time retain their good will. He succeeded by dint of hard work and a good deal of diplomacy. Nobody lost his job and the manufacturer kept his customer—but about \$40,000 worth of good enameled pipe went to the scrap heap.

What had happened, briefly, was this: The technical laboratory staff at the pulp mill had made a test of the enamels submitted, and had placed an order based on the results. What they did not know, however, and the manufacturer did know, was the fact that the enamel in question was porous. Had the manufacturer known the conditions, it never would have been submitted at all. There was nothing the matter with the laboratory test—so far as it went. But after a month or two had elapsed and the acid had time to get busy in the microscopic pores of the enamel, the test cup looked (to quote the sales manager) as if it had a severe case of measles.

Naturally the buyer was rather sore over the necessity of scrapping the material, but the sales manager told him that he ought rather to be grateful for having been spared the expense of burying the pipe and digging it up again, with a probable break-down of the plant into the bargain.

Two Important Factors

That incident (and I have listened to dozens like it) brings out pretty clearly the two salient characteristics of the selling problem in this particular field; the tendency of the buyer to rely implicitly upon the technical judgment of his own laboratory staff, and the policy of secrecy that seems to be pretty nearly universal in this particular field. The two things go together, of course, and each tends to intensify the other. As a matter of fact, the list of industries given above includes practically a complete roster of those which have not yet abandoned the old-time policy of secretiveness with respect to methods and processes.

So far as raw materials are concerned, I am told that the policy is highly efficient. But as regards the purchase of equipment, it is

(Continued on page 982)

Analyze Your Milwaukee Sales Possibilities With—

The Milwaukee Journal 1925 Consumer Survey

*Subjects covered
in the new 1925
Consumer Anal-
ysis of Greater
Milwaukee.*

VOLUME I

Package Grocery Products—

Baking Powder	Macaroni
Bug and Fly	Products
Killer	Mustard
Breakfast	Pancake Flour
Foods	Prunes
Butter	Raisins
Substitutes	Salad Dressing
Canned Goods	Soap
Catsup	Syrup, Maple
Cheese	Flavored
Cleansers	Tea
Cocoa	Toilet Paper
Coffee	Vinegar
Furniture	Washing
Polish	Powder

Candy and Gum—

Cigars, Cigarettes and Tobacco

VOLUME II

Musical Instruments—

Music Rolls	Phonograph
Pianos	Records
Phonographs	

Automobiles—

Radio Sets and Radio Equipment

VOLUME III

Cosmetics—

Face Powder	Shaving
Hair Dressing	Preparations
Hair Nets	Toilet Water
Perfume	Tooth
Shampoo,	Cleansing
Liquid	Preparations

Clothing—

Men's	Men's
Overcoats	Underwear
Men's Suits	Sweater Coats

Jewelry—

Fountain Pens	Mechanical
Watches	Pencils

VOLUME IV

Electrical Appliances—

Vacuum	Wash
Cleaners	Machines

Building Material—

Automatic Oil	Exterior Finish
Burners	Linoleum Type
Roof Coverings	Floor
Warm Air	Coverings
Furnaces	

Miscellaneous—

4 VOLUMES

- all principal lines
- the brands
- the dealers
- the users: number and percentage
- per capita consumption
- total annual volume

Comprehensive? Yes!

Accurate? The housewife herself is the source.

Copies of this analysis will be sent upon request to sales and advertising executives who have not already received the volume in which they are interested. When writing, please use business stationery and specify by number which volume you want.

**The Milwaukee
JOURNAL
FIRST—by Merit**

The Old Customer Who Leaves You Flat

Three Letters and a Follow-Up Call by Salesmen Bring Back High Percentage of Old Customers Who Stop Buying

By Arthur P. Dyer

Sales Manager, Oriental Oil Company, Dallas, Texas

FROM recent experiences in our campaigns to bring back old customers who have temporarily stopped buying, we have found that almost 99 per cent of the customers who stop buying, do so for no reason at all—at least they can offer no reason for making a change.

We had always thought—and I believe other sales managers labor under the same delusion—that the customer who stops buying has some complaint to make—that he is harboring some grudge, some real or fancied wrong which he will not divulge, but which starts him trading elsewhere.

To get at the real reason, and to try to bring back a high percentage of customers who stop buying, I have been going over the inactive accounts. Each month I take a record from the ledgers of all inactive accounts for the preceding month. To each name goes a series of three letters.

After the third letter goes out we have one of our city salesmen call on everyone who has not answered any of the letters.

The first letter follows:

My Dear Sir:

Some old adage says, "It is better never to have had a customer than to lose him."

On running through the books I find that you have not had a charge with us for several months, and as I am held responsible for Dallas accounts, I would certainly like to know why you have discontinued doing business with us.

We believe that at Hurry Back Stations we have the best gasoline that you can buy and the most courteous and efficient service. If you have a kick to register against our service or the quality of our goods, or if for any other reason you have a complaint, I believe the fair thing to do would be to take it up with us, because I know we can adjust it with you.

Our gasoline is a pure, straight run product and our lubricating oils are strictly paraffine base products compounded with Pennsylvania bright stock, giving the

highest quality of oil obtainable. We are Dallas folks just like you and want you to know that we miss you and would greatly appreciate your returning to us at this time.

Won't you please let me hear from you relative to this matter?

We have found that this first letter brings back a fair percentage of old customers who appreciate our interest in their business. Few of these ever bother to answer the letter, but we can tell from the dates on our ledgers that quite a number of them come back to us. Of course some of them would have returned voluntarily, but we are confident that the letter brings back a goodly percentage.

A few days after the first letter, the following one is mailed:

My Dear Sir:

Did you know that we opened the first drive-in filling station in Dallas twenty years ago?

Ever since that day we have been on the job striving to give you courteous and efficient service and the best gas and oil you could buy. You caught the spirit of "Hurry Back" and gave us your business for a while.

Then you quit us, and as far as we know, without any reason. Your right to trade where you please is unquestioned, but I do believe we are entitled to a sporting chance to get your business back.

Won't you give us that chance?

If you just quit "for instance" as the darkey says, drive in and fill up and we feel you will get the "Hurry Back" spirit again. If, on the other hand, you have a complaint, we feel the sporting thing to do would be to let us know what it is and give us a chance to rectify matters, don't you?

The English call this latter "Good Cricket." We beg you to play "Good Cricket" with us.

The third letter completes the series. Then we find it worth while to send a salesman to call on all those who have not answered the letter, or who have shown no disposition to resume buying from us. Here is one letter we recently used as the third of a series:

My Dear Sir:

One of our former customers, who got one of our letters, phoned in the other day and thanked us for being enough interested to have missed his account. He said he had quit us because we did not have tire service. When told we were now equipped to serve him in this capacity, he immediately said he would come back to us.

Incidentally he said he had never found more courteous or efficient service than "Hurry Back" stations afforded, and the only reason he had quit was as stated above. He gave us a sporting chance and we made good.

Won't you give us the same chance?

There was evidently some reason for your having quit us. Tell us why and we are sure we can make good with you the same as with the gentleman mentioned herein.

We have found this plan of going after the old customer who stops buying well worth while. Although it is as simple as we can make it, and the letters are plain and short, we have found that it works very nicely.

America Spends Eight Billion for Autos

America spends \$8,000,000,000 annually for automobiles. Two billions go for new cars, and the remainder for accessories, gasoline, tires, repairs, and garage items. These figures are taken from a report just compiled by the American Committee on Highway Transport for submission to the International Chamber of Commerce, meetings of which opened at Brussels June 21.

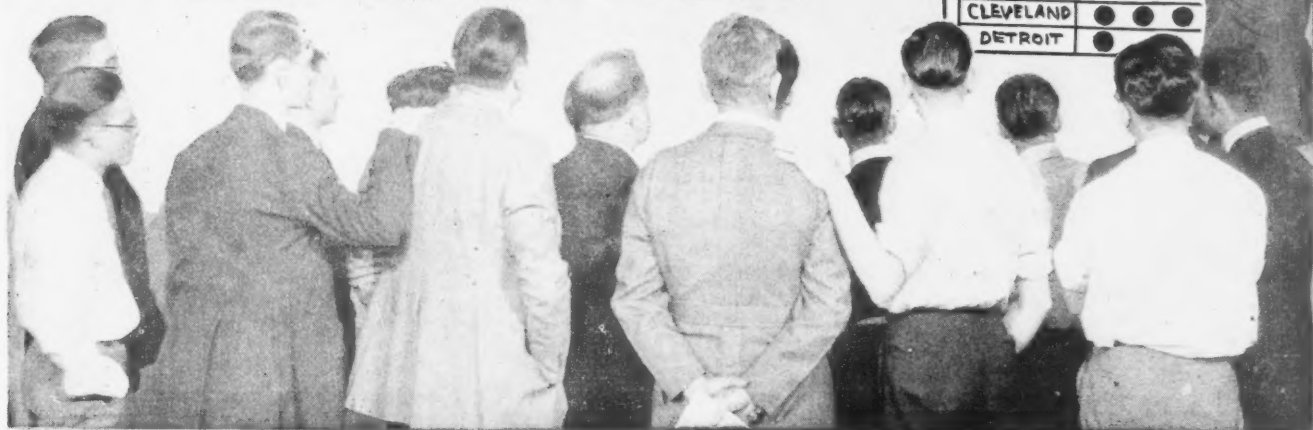
The committee characterizes the motor car not as a luxury, but as a necessity, and points out in its report how the use of motor transportation has revolutionized the life of the farm, permitted of extension in rural educational facilities, and been made to supply important links in the tie-up of water, steam and electric railway systems.



Bright Spots in Business

STANDING OF TERRITORIES

ATLANTA	● ●
BOSTON	● ●
BUFFALO	● ●
CHICAGO	● ●
CINCINNATI	● ●
COLUMBUS	● ●
CLEVELAND	● ●
DETROIT	● ●



Improvement in June Retail Sales Indicates Better Than Usual July Business

There was a healthy improvement in sales reported by retailers in many cities in all parts of the country during June, and stocks are claimed to be low. Some firms are making vigorous efforts to obtain fill-in orders to bolster up summer business. Building operations are holding up well and there is very little unemployment—only the usual seasonal slack in some industries. All fundamental conditions seem to point to better than usual July sales. Sales managers should watch crop developments closely as conditions are irregular and unusual due to so much freakish weather and a general lack of rain. Some districts will market crops early, while others will be later than usual.

AKRON, OHIO



Employment in tire plants is said to be 118 per cent of what it was in 1924. Stocks of tires in all parts of the country are only normal and a continuance of the steady production of the past few months is confidently expected; in fact, the rubber industries are one of the few industries which are not expected to undergo a slight slump in the next few weeks. Bank clearings showed a heavy increase each week in June as compared with the same weeks in 1924.

ATLANTA, GEORGIA

Recent rains have benefited crops, and hot weather has greatly stimulated sales of seasonable items. Wholesalers report a very satisfactory volume of business. Acreage of cotton for 1925 is largest in history of the state; farmers have fertilized heavily and good crops are anticipated. Labor is well employed. Macy's of New York have acquired an interest in Davison-Paxson-Stokes Company, leading department store, and in conjunction with Asa G. Chandler, will erect a \$6,000,000 department store in near future. Many new chain stores are entering Atlanta, and others are increasing outlets. Real estate very active, and many new subdivisions are being opened. Postal receipts and bank clearings breaking records so far this year. Watermelon crop prospects best in history. Peach crop estimated at 11,000 to 12,000 cars.

BALTIMORE, MARYLAND

All needlecraft industries, children's apparel, underwear, apron and house dresses, burlap and cotton bag factories, are ahead of last year with good prospects for continued production on similar scale. No surplus of labor. Steel products industry is in good condition with major plants operating on 100 per cent basis. Retail trade shows notable improvement in June; building operations are brisk and sales of lumber, hardware and building supplies are good. Johns Hopkins Hospital recently let contract for \$650,000 nurses home.



BIRMINGHAM, ALABAMA

Cotton crop in Alabama reported as 76 per cent of normal, which is ahead of last year. Five large buildings now under course of construction: Alabama Power Company, 12 stories; Bankers' Bond Building, 10 stories; Birmingham Athletic Club, 10 stories; Pioneer Building, 10 stories; Louis Pizitz Department Store, 7 stories. Two 10 and one 15 story building completed and occupied last month. Iron and steel business is very active; cement business, brisk; and coal, while slightly off, is holding up well. Tennessee Coal & Iron Company will blow in two new furnaces at Fairfield. Six hundred and forty new buildings erected in Birmingham during May. No unemployment.

BOSTON, MASSACHUSETTS



Retail trade in Boston has shown a healthy improvement during June, and wholesalers report business about 10 per cent ahead of last year. Sales in the automobile business are reported good; lumber and building material are enjoying brisk demand and furniture dealers claim business is picking up. The shoe industry shows little improvement. Massachusetts is in best condition of any of the New England states. Debits to individual accounts as reported by the Federal Reserve banks during June shows healthy increases each week as compared with same weeks of 1924.

BUFFALO, NEW YORK

Buffalo industries in general are approximately 10 per cent ahead of 1924 in activity. Regular labor is well employed. Iron production is off, but steel plants are operating around 70 per cent capacity. Automobile and truck manufacturers, and manufacturers of automobile accessories and parts are enjoying big business. Crops have suffered from drought. Building is about the same as in 1924; wholesalers report buying is good, and better than last two seasons; hardware trade reports good demand for building hardware. Commercial deposits in banks show large gains over 1924.

CHICAGO, ILLINOIS

City is starting work on a \$4,500,000 bridge building program, five new bridges and numerous repairs being scheduled. Mail order sales are described as being about 10 per cent better than last year; funds in banks are plentiful and calls for money do not meet the supply of cash on hand in banks; Chicago led the country the first quarter of the year with \$200,000,000 in building permits. Hotels report a heavy volume of summer business with reservations well into the fall. Marshall Field and Carson, Pirie, Scott & Co., leading wholesale dry good houses, both report good volume of orders, although individual orders are small. Hot weather has stimulated retail trade. In the industrial section south of Chicago (South Chicago, Gary, Indiana Harbor, and Hammond) building is very active and business is brisk. Racing season starts in July and is expected to bring many visitors.



CINCINNATI, OHIO

Mail order houses in men's clothing trade report a heavy volume of business in spite of retailers' claims of slow sales in this line. Dry goods dealers enjoying fair volume of business. Hardware jobbers say that business is ahead of last year, and building continues active. Debits to individual accounts as reported by Federal Reserve Bank averaged about ten million dollars a week ahead of 1924 during June. Rain and warm weather indicate good crops.

CLEVELAND, OHIO



Retailers in Cleveland report better trade during June, particularly in specialties influenced by weather; manufacturers in the men's and women's clothing industries report a fair volume of sales and are now anticipating fall orders. Plants that are allied with the automobile industry are experiencing a slight seasonal slowing down, while the machine tool, nut, bolt and allied lines report business fair. Iron and steel mills working at between 65 and 70 per cent capacity. Building is not quite equal to last year, but remains active with a good

demand for lumber, building material, paints, etc. Heavy sales pressure will maintain good business in the Cleveland district all summer.

COLUMBUS, OHIO

With the possible exception of wheat, which may be a little short, all crops within a seventy-five mile radius of Columbus are excellent. Labor is fairly well employed, and there is a big increase in the demand for railroad construction laborers and mechanics. American Insurance Union Building to cost \$1,500,000; Knights of Columbus have started a new building and the New Neil House is nearing completion. In May 224 dwellings were authorized by the City Building Department—141 was the number for May, 1924. Jobbers report business good during June—slightly ahead of 1924. F. R. Lazarus Com-

pany, largest department store in city, will double size of building.

DAYTON, OHIO

Labor is well employed in Dayton and most factories are busy, some of which are operating on a scale considerably ahead of previous years. According to reports of the Federal Reserve Bank, debits to individual accounts for first three weeks were all ahead of same weeks in 1924. Retail sales are good, and building is fairly active. Many and varied industries in Dayton mean a stable, regular market, devoid of heavy fluctuations.



DENVER, COLORADO

Wholesalers, jobbers and manufacturers report business for June as being good, somewhat ahead of 1924. There has been a big improvement in the crop situation in Colorado due to recent rains. Colorado's scenic attractions attract thousands of tourists and the season will be at its peak in July, stimulating sales in many lines. Building is more than \$2,000,000 ahead of 1924.

DALLAS, TEXAS

While many large cities were reporting decreases from the previous week, Dallas led the country in increases in debits to individual accounts with an increase of \$14,000,000 for the week ending June 10. Late rains have assured a good cotton crop in the Dallas territory. Dallas Cotton Exchange will start a \$2,500,000 building at once. Extension of Fort Worth and Denver Railroad to Dallas will open up a new outlet into west Texas and Panhandle country. Wholesalers report business from 10 to 25 per cent ahead of 1924. Seasonal slump in employment is now evident, but with plentiful money and interest rates declining business in all lines is ready for considerable expansion within the next few weeks.

DETROIT, MICHIGAN

Approximately 30,000 more men are now employed in Detroit than at this time a year ago. Work has commenced on a 35 story building, the Book Tower adjoining the present Book Building. Many of the automobile plants are breaking records and other industries are running full time with employment at high peaks. Merchants report a marked improvement in retail sales, while jobbers claim business is ahead of last year. All of Michigan is a good summer sales territory and sales efforts at this time, particularly in the lower half of the state, will be well rewarded.



DES MOINES, IOWA

Manufacturing in several lines, particularly the washing machine industry, is very brisk. Wholesale and jobbing trade, while perhaps ahead of last year, is described as being rather quiet, and retailers state that there is little snap to business. Needed rains have improved the condition of corn which promises a good crop.

FORT WORTH, TEXAS



Latest government census figures place Fort Worth population at 152,394, a gain of 45,912, or 43.1 per cent since 1920. This does not include 30,000 people who live in adjoining towns which are physically a part of Fort Worth. Cotton prospects in west Texas, Fort Worth's trade territory, are the best in the state, and the acreage is the largest ever. Building is approximately 25 per cent ahead of last year and the Free Labor Bureau operated by the city is unable to supply the demand for mechanics. Jobbers and wholesalers report business far ahead of last year, with prospects for an excellent fall trade. Sales managers may find Fort Worth territory most profitable in Texas this fall.

GALVESTON, TEXAS

The city has just voted a \$2,000,000 bond issue for grade raising. These bonds are in addition to a similar issue of \$2,000,000 which was voted several years ago, work on which is now being rushed to completion. Custom collections for current month were more than \$400,000, bringing the total for the fiscal year to more than \$9,500,000. Work along the wharves shows only the usual seasonal slackening. The tourist rush this year is heavy and both business and residential building is unusually active.

HOUSTON, TEXAS



Needed rains which fell in June in the Houston territory added vastly to the crop prospects which are better in this section than for several years. Mills and manufacturing establishments are providing ample employment for skilled labor; extensive building operations and farm work provides employment for all unskilled labor available. Houston Post-Dispatch Building, 22 stories, under construction; the 32 story Neils-Esperson Building, to cost \$2,500,000, is also under construction. Ni-Late, Flit, Lorraine Seersuckers, Blue Ribbon Malt, Johns-Manville Baking Powder, Wesson Oil, Devoe & Reynolds paints, Inecto, Nu-Grape, Lipton tea and coffee, and Pet milk are most important accounts now being heavily advertised in Houston.

INDIANAPOLIS, INDIANA

Dry goods jobbers report sales for June as being 20 to 25 per cent higher than for the same period in 1924. Slight slack in certain manufacturing lines but surplus labor is finding employment in brisk building activities, which are ahead of 1924. Wheat and oats suffered some from cold weather and drought; corn, the largest crop, is reported to be in splendid shape. Jobbers in all lines report a steady improvement in sales. Indianapolis has numerous diversified industries and its large trading radius insures a steady summer business.

KANSAS CITY, MISSOURI

Building in Kansas City is approximately 35 per cent ahead of last year; Robert Keith Furniture & Carpet Company to build a new 7 story home, Household Fair an 8 story building. There are twelve hotels and apartment buildings 8 stories and over under way and planned. The wheat crop, while behind last year (which was unusually large), will probably net as much money as last year due to higher prices. Oil industry is in good condition. Implements and heavy hardware are selling well, as are automobiles, tires and accessories. Wholesalers report trade about 5 per cent ahead of last year.

LOS ANGELES, CALIFORNIA

It is claimed that fully a half million visitors will spend vacations in Los Angeles. They must spend some money, too! Oil industry is producing steadily, and new fields opening up show fair prospects. Crops generally are in good condition. Los Angeles County expects to produce \$82,000,000 in agricultural crops this year. Building, particularly in the downtown district, is ahead of last year, and there is some talk of overbuilding. Manufacturers, jobbers and retailers report business as being "fair."



LITTLE ROCK, ARKANSAS

The United Business Service lists Little Rock as one of the best cities for July selling. Arkansas has diversified sources of wealth and unlike some southern states, is not dependent on one crop or one industry. Reports from Federal Reserve Bank indicates an increase of nearly \$3,000,000 in debits to individual accounts for the week ending June 17 as compared with the corresponding week of 1924.

LOUISVILLE, KENTUCKY



Railroad tonnage out of Louisville is ahead of last year and jobbers and wholesalers report that the trade is buying consistently, though not in large quantities, for individual shipments. Building is way ahead of last year—Louisville leading the entire South in building for the first four months of the year. In the dark tobacco district the crop will be less than 1924, but in the burley district a normal crop is expected. The wood working industry is working full time. Louisville will produce good results from sales efforts in July. Kentucky Hotel, a new addition to the Brown Hotel, and an addition to the Starks Building were recent announcements of importance in the building field.

MINNEAPOLIS, MINNESOTA

Business is good in the Northwest and promises to continue so as wheat crop conditions compare favorably with previous years with good prices seemingly certain. Automobile dealers all

through the Northwest report heavy sales—one says, "Three cars being sold to every one we can deliver." Another, a wholesaler, says, "Retailers have no cars on hand and are going to the factories and driving them home." Sales managers who have withdrawn from the Dakotas should investigate that territory. Minnesota salesmen or Minneapolis branch houses should be instructed to look into the situation in the Dakotas in case these states have been neglected. They promise good sales results this fall.

MILWAUKEE, WISCONSIN



Milwaukee railroad (C. M. & St. Paul) starting repair work on 6,000 cars will require 500 extra workers and involve an expenditure of nearly \$6,000,000. Seaman Body Corporation will add 1,000 workers when new plant is completed to build bodies for the new Nash built Ajax car. With the exception of the shoe and leather industries all lines are busy in Milwaukee, employing a full quota of labor at high wages. First half of June was the best half-month in 1925 for wholesalers and jobbers, it is reported. Tourists are flocking into the state

and Wisconsin sales should respond quickly to efforts all through the remainder of the summer. Warm weather stimulated sales in June and nearly all department stores report a big increase in business.

MEMPHIS, TENNESSEE

Most labor is well employed and factories as a whole are operating on a full time basis. Crop conditions are good, but rains are needed. Sales managers should watch Memphis carefully this fall for if the promising cotton crop develops, it will be an exceedingly productive market for sales and advertising campaigns. Cotton is expected to come into market earlier than usual this year. Jobbers and wholesalers report business as being normal. Southwestern University, a million dollar institution, has moved from Clarksville to Memphis and new buildings are now under construction.

NASHVILLE, TENNESSEE

Retailers are complaining that sales are behind last year and are running bargain events in an effort to bolster up sales. Manufacturing and wholesale executives report that sales are only fair, although some fall orders are being received. There is little if any unemployment. In spite of the complaints of retailers Federal Reserve Bank reports show a nice increase in debits to individual accounts. Figures for week ending June 17 were, \$19,950,000 as compared with \$18,509,000 for the corresponding week of 1924.



NEW ORLEANS, LOUISIANA

Reports from leading industries in New Orleans indicate that there is less unemployment than at any time in six or seven years. Some of the clothing factories are running overtime and still unable to keep up with orders. Building is expected to run ahead of 1924; 1924 was double that of 1923, and 1923 was double the 1922 record. New Orleans is growing more rapidly than at any time in its history—the following projects indicate the volume of building now under way—a 15-story hotel, one 10 story hotel, one 6 and one 7 story garage, a \$1,000,000 hospital, and a \$1,000,000 hospital annex.

NEW YORK CITY, N. Y.



Employment in nearly all lines is good, with industries generally maintaining a fairly high rate of activity. The prospects for building are better than those of 1924; if activity continues as at present, last year's record will be beaten, but strike troubles may stagnate building if certain strikes are successful. Beginning July 1 buyers will flock to New York and there will be great activity in the textile trades, particularly women's wear. Employment throughout the state is good, slack in certain industries being taken up on the farms and in other

industries such as rubber and automobile parts and accessory plants, which are busy. Debits to individual accounts for week ending June 17 showed an increase of \$867,000,000 over the corresponding week in 1924.

OKLAHOMA CITY, OKLAHOMA

Wholesalers and manufacturers are reporting a fair business in June. Oil production shows a slight decline, but prices are firm. Debits to individual accounts as reported by the Federal Reserve Bank for week ending June 17 were \$21,157,000 as compared with \$15,784,000 for the corresponding week in 1924 and \$19,201,000 for the previous week in 1924. Corn and cotton are in good condition.

OMAHA, NEBRASKA

Crop conditions in the Omaha district appear favorable and with the assurance of good prices, business promises to be good this fall, for the farmers are more nearly out of debt than for several years; surplus funds will find their way into trade quickly, rather than being used to pay off old debts. Labor is well employed, and there is a good demand for farm labor. Retail trade is reported as ahead of last year with a marked improvement in June. Building is active. Among other recent projects is a new live stock exchange which will cost \$1,000,000.



PHILADELPHIA, PENNSYLVANIA

Gimbel Brothers announced in June that they would build a new department store to cost \$10,000,000 on the site of their present store and on additional land recently acquired. Building so far this year is about \$14,000,000 ahead of 1924 in Philadelphia. Retail sales were good during June, although some wholesalers report a slight decline. There is practically no unemployment except in the textile industry. One indication of industrial activity is the fact that there was about a 50 per cent increase in "help wanted" advertising as compared with the same period in 1924.



PITTSBURGH, PENNSYLVANIA

The steel industry has been showing an upturn in volume of orders received. Pittsburgh is in the midst of a genuine building boom, the increase so far this year over 1924 amounting to something like 65 to 70 per cent. The Pennsylvania Railroad will build a new terminal to cost \$15,000,000. Operations in steel mills average about 75 per cent of capacity and labor is generally well employed due to the activity in the building trades.



PORTLAND, OREGON

Agricultural conditions are favorable with a probable increase in the average wheat yield, fair output of apples, short crop of prunes, and a normal yield of wheat. Salmon canneries anticipate a heavier than normal pack. Labor is well employed, seasonal slack in logging and lumbering being well taken up in other industries. Demand for lumber is improving and increased production is anticipated. Wholesalers and retailers report a satisfactory volume of business. Southern Pacific, Great Northern and Northern Pacific railroads will build additional lines in central and southern Oregon.

ROCHESTER, NEW YORK

Rochester is among the list of cities recommended for July sales drives by the United Business Service. General conditions are good, and there is a generally strong demand for labor which at present is well employed and will probably continue so during the summer. Debits to individual accounts as reported by the Federal Reserve Bank were \$44,869,000 for the week ending June 17, against \$42,998,000 for the corresponding week of 1924.

ST. PAUL, MINNESOTA

Excellent crop prospects, with the promise of good prices, give rise to an optimistic feeling which is stimulating business in St. Paul. The new Ford plant, turning out 500 cars daily, and unusually heavy building activity, give snap to business which was lacking last year. Retail sales are improving and are ahead of 1924. Chicago, Milwaukee and St. Paul Railroad yards are being improved at a cost of \$1,000,000. Montgomery Ward and Brown & Bigelow are making important plant additions. Griggs-Cooper Company, wholesale grocers, are erecting a new building. Wholesalers report June sales as being considerably better than a year ago. A good fall trade is expected in St. Paul and surrounding territory.

SAN FRANCISCO, CALIFORNIA



The lumber trade reports increasing export trade; there was an increase of \$4,870,000 in building operations during the first five months of 1925 over a similar period in 1924. Foreign trade through the port is breaking all previous records. Tourist travel is far ahead of all previous years and there is an abundance of capital available, it is claimed. Crop conditions are excellent in most districts in the San Francisco territory. Retail sales are ahead of last year and wholesalers report steady improvement. San Francisco offers good opportunities for summer selling. Collections are reported as good.

SPOKANE, WASHINGTON

Lumber manufacturers report an improvement in buying during June and from the volume of inquiries being received, expect a good demand throughout the summer and fall. Crops in the Spokane country are generally good with firm prices prevailing. Building continues very active and there is ample employment for labor. Mines are busy as a whole, and in some sections mining is reported as being more active than for several years past. Farm implement sales are showing a healthy increase over last year, indicating that farmers are buying freely.



SAN ANTONIO, TEXAS

San Antonio promises to become an oil center of some major importance with the development and increasing production in several fields near the city; 1,891 dwellings were constructed during the past year in San Antonio and building is far ahead of previous years. Building projects announced and under way include the Aztec theater, \$1,500,000; Medical Arts Building, \$800,000; additions to three hotels, \$675,000; Builders' Exchange, \$700,000; Commercial National Bank building, \$300,000. Grain crops in some counties are a failure, but this is relatively unimportant in this section. San Antonio's trade territory is larger in area than the entire state of Iowa.

ST. LOUIS, MISSOURI

Coronado Hotel will spend \$1,000,000 for an addition to its present building. Skouras Brothers' Ambassador Theater will cost \$5,000,000. Building is comfortably ahead of 1924 and labor is generally well employed. Hot weather stimulated retail sales, retailers reporting brisk business. Shoe manufacturers and jobbers reporting increased sales, although orders continue small, but total volume is larger than for last year. Automobile sales are excellent and plants making automobiles, trucks and accessories are very busy.



TOLEDO, OHIO

Employment in Toledo continues to remain at high mark. A survey made during the middle of June shows that more than 28,000 men were employed in 51 Toledo plants. Some of the local automobile plants have since put on extra shifts of workers, and it is expected that there will be little change in employment throughout the summer. Retailers report good sales as a result of ample employment at high wages.

WASHINGTON, D. C.

According to a survey of the Fifth Regional Reserve bank, retail sales in Washington are 14.8 per cent better in 1925 than for the past five year average. Washington business remains steady during the summer because of the government's \$10,000,000 monthly payroll and the influx of visitors to conventions and the tourist trade. Building is unusually active, the gain over 1924 for the first five months of 1925 being \$11,137,120. "Any man who wants a job can obtain it in a minute," says the city Labor Employment Bureau. A \$5,000,000 bank and office building opposite the Treasury Department will be erected in the fall. Work on the Arlington Memorial Bridge to cost \$14,000,000 has just begun. A department store is spending \$2,000,000 on an addition. Crops in the surrounding territory are good. Washington ought to respond liberally to sales and advertising campaigns this summer and fall.





The Dealer Who Wants to Put Half His Stock in His Windows

How A. Stein and Company Educated Dealers to Put In Exclusive Window Displays On a Fifty Cent Item

By Joseph Kraus

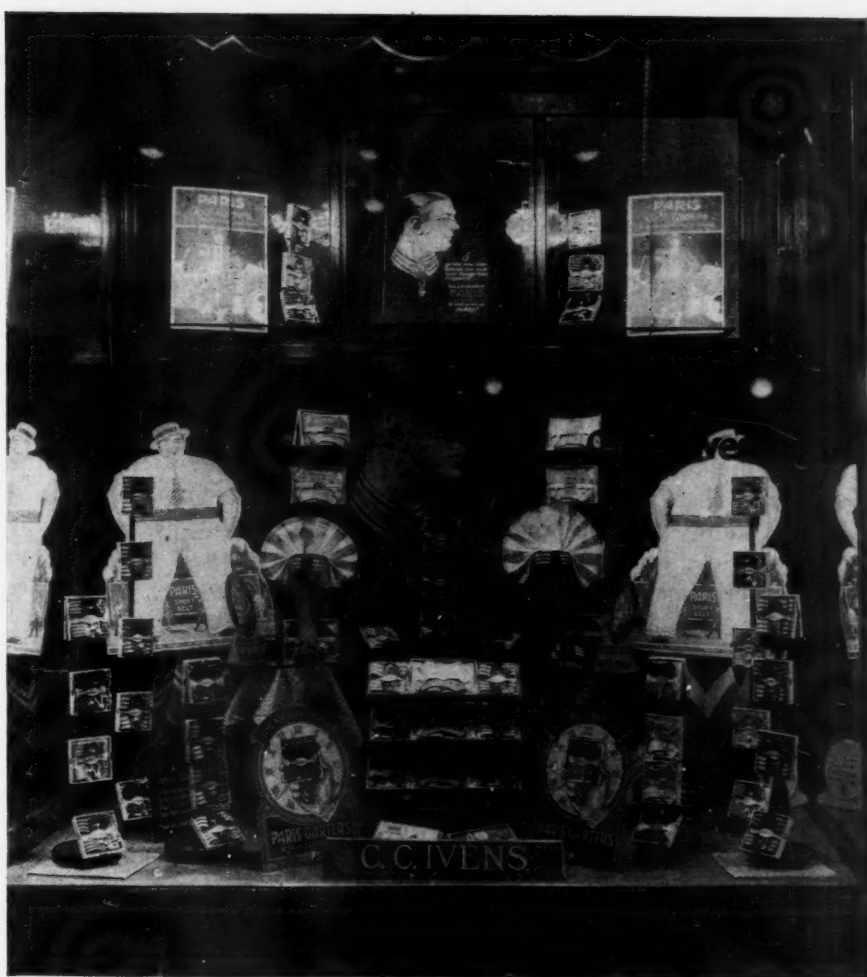
A. Stein and Company, Chicago

WE HAVE found it very profitable to do our checking at the beginning of our window display advertising campaigns, rather than at the end of them. Many manufacturers spend a great deal of time and money in checking up what becomes of their window displays after they are sent out. The result of a careful analysis along these lines frequently proves rather disappointing. If, however, these same manufacturers would do their checking and investigating before they decide upon a window display campaign, results would be quite different in the majority of cases.

Planning Displays for Dealers

It is a good plan to call in expert advice when the purchase of window display material is contemplated. Men actually engaged in trimming windows are always accessible for consultation and there are many experts in this field of endeavor who can be consulted, to say nothing of the advisability of submitting proposed exhibits to a group of dealers, for their comments, before actual orders for lithographing, etc., are placed. A great deal of window display advertising material that never finds its way to the window could be destined to serve a better purpose if it were planned with and for the dealer, rather than so ostensibly by and for the manufacturer.

Our objective in our window display campaigns, in common with most manufacturers, is a complete window display of Paris garters. We have encountered many retailers who have voiced objections to the idea of devoting so much space to a display of our products and have given us very sound reasons why our request



More than 70,000 windows have been decorated with Paris garter displays in spite of the dealers' tendency to neglect the small items

was unreasonable. However, with all due respect to their judgment, we felt solid window displays of Paris garters for men's stores was a paying proposition.

It is a difficult thing to sell anything that you do not absolutely believe in. We believe absolutely that it pays the merchant to make a complete window display of Paris garters. About eight years ago, when we started an aggressive campaign along these lines, it looked as though it was almost an impossible proposition to negotiate such a plan successfully, with any

great number of dealers. However, we believed in the soundness of our idea and gradually our entire sales organization became convinced that the dealer could profit as a result of tying up, in this manner, with our other extensive national and local advertising efforts.

The natural objection, on the part of the dealer, to a Paris window display, usually crystallized itself in the question, "Why should I devote an entire window to a small thing like a garter? Suppose I do sell a couple of dozen

of garters, what profit do I make? It is too small an item to fool with. Suppose I sell 12 dozen garters at 50 cents a pair, my receipts are only seventy-two dollars. A display of shirts, hats, underwear, or practically any other line in my store, means real sales and a greater volume for me."

Such objections were not easy to overcome, yet here is how we attempted to meet them. We capitalized on his argument that a garter is a small thing. It is easy to convince any man who is reasonable, that it is really the small things in life, little things, that count. You know and I know that our opinion of any individual is usually based on the number of small things we know about that individual. It isn't the big things that a man does that really secure the lasting good will of his fellow-men—it is the little things that he does every day. Our opinion of a business organization is no more than a composite opinion of the several individuals in that organization and that, too, is based on the small things that the organization as a whole, or the men in the organization as separate identities, have done. So, after all, it isn't difficult to convince a fair-minded man that the little things in life count. He feels that garters are little things and we argue that just because they are little things they offer him an exceptionally good opportunity to make a real impression upon the public.

Displays Bring Many Buyers

The dealer who feels that the sale of a gross of garters for seventy-two dollars is a small item, is reminded of the fact that if he sells a gross of garters he attracts 144 buyers to his store, all of whom are mighty good prospects for other merchandise. The average dealer is willing to admit that this is a point that is usually overlooked until it is called to his attention. We know of cases where on special occasions one store sold as high as 5,000 pairs of Paris garters in one day. Another store in the same city sold 1,700 pairs in two days. This gives a fair idea as to the pulling power of Paris garter sales and displays when considered in terms of the buyers actually attracted to a store

which, after all, is the important consideration.

Paris garters are known to be supreme for quality and service. They are nationally and locally advertised. A display of Paris garters in a dealer's window enhances the good-will he already enjoys in his community because he shows that it is his ideal to sell the best merchandise obtainable, even in little things like garters. Certainly, confidence thus established stands him in good stead when purchases involving greater investment are contemplated.

Converting Prospects to Buyers

A Paris garter display reminds a man of a pending or an immediate need. Most men need fresh, clean garters. They decide, in the morning, when they go downtown, that they are going to buy a new pair, and yet usually forget about doing so. That has often been your experience just as it has been mine.

A Paris display reminds the passerby of an immediate or a pending need and he enters the store subconsciously grateful to the merchant for his gentle reminder. We know, as a matter of fact, that a man waits anywhere from two to four weeks after he actually is in need of a new pair of garters, before he remembers to purchase them. This happens about twice a year. In other words, practically one-sixth of the time a man is in need of garters but forgets about replacing them. By this it can easily be deduced that on an average one man out of every six passing a store is actually a prospect for an immediate change.

Paris window displays attract buyers, not shoppers. A man very rarely enters a dealer's store to ask the question, "What do those Paris garters cost?" We all have a fair idea of what garters cost, so the prospect enters the store and says, "I want a pair of Paris garters," and designates the color and style, and the transaction is completed. We contrast this situation with the one that exists when a man is attracted by other displays. He enters the store for the purpose of pricing those shirts and looking them over. It is then up to the salesman behind the

retail counter to sell that man some shirts. We are all salesmen enough to know that once you get a man sold on one item the balance of the order comes along a whole lot more easily than would otherwise be possible. Men entering the store for the purpose of buying garters, invariably remain to make other purchases, especially if the retail clerk is on the job.

The unusualness of a Paris garter display attracts more attention than the ordinary display that one sees in a men's clothing or furnishing store. We advance that as another good reason why the dealer should do something unique and different and that he will profit as a result of such an effort.

Of course, the dealer displaying Paris garters really focuses the full power of our other advertising in his own behalf. He virtually says this store is headquarters for Paris garters. Such a tie-up cannot help turning into profit for him.

These points, of course, are elaborated on somewhat in our selling approach, and we have been fairly successful in selling dealers the idea that it is a paying proposition to utilize solid windows of Paris displays. During the past seven years we have furnished approximately 70,000 window displays on our various products.

Report Conditions Better in Mexico

Business conditions in Mexico are considerably brighter at present, according to a report of Alexander V. Dye, commercial attache of the United States at Mexico City, who is on a brief visit in the East. Exports from the United States during the first four months of the year were 40 per cent larger than during the same period last year, Mr. Dye stated.

The Mexican treasury has at present about 40,000,000 pesos on hand and has started the paying of money owing to merchants for merchandise purchased. They expect to clear all such debts at the rate of 25 per cent a month, Mr. Dye said.

Mr. Dye pointed out that it was a mistaken impression that sometimes prevails that Mexican merchants were looking for longer terms of credit.

Cancel "Hot Weather" in 20 States! Rent Sales Cars at 85 Saunders Branches

*"—it's the 'ammer, 'ammer, 'ammer on the 'ot sidewalks"
that slows up your salesmen these days. More
calls made in comfort mean steady sales volume*

WITHOUT a dime of capital investment, you can furnish each salesman a new car for aggressive Summer selling. You pay only for the actual miles he drives—the calls and sales made.

These cars have been placed in the best sales centers of 20 States you now cover. They are all ready to turn over to your men. Please instruct them to accept delivery at once and use Saunders System cars to keep up the daily calls and sales volume during hot weather. Where business has moved out to the country and Summer resorts, your men can run it down with a minimum of time and expense.

Saunders Drive-It-Yourself System rents gear-shift and Ford coupes, sedans and touring cars on a mileage basis. Each salesman drives privately a clean, new, splendid-running car, as if it were his own or company car. Standard insurance protects you against liability, fire, theft, collision and property damage above \$15. We can also supply you with detailed reports of his mileage, daily starting and quitting time, expense incurred, and with Traveler's Identification Cards, good at eighty-five Saunders System stations in 20 States.

Combined with rail service between major towns, this service nets you the lowest possible traveling expense, and preserves the real advantages of motorized selling. Just direct your salesmen to use Saunders System and write us for the Traveler's Cards.

SAUNDERS DRIVE-IT-YOURSELF CO., Inc.

Executive Offices: 216 Saunders Bldg., Kansas City, Mo.

"TEN YEARS OF PRACTICAL OPERATION"

Eastern Dist.

Baltimore (2)
Richmond, Va.
Washington, D.C. (3)

Alabama

Birmingham (4)
Bessemer
Mobile
Montgomery (2)
Tuscaloosa (2)

Colorado

Colorado Springs
Denver
Fueblo

Georgia

Atlanta (2)
Athens
Columbus

Illinois

Galesburg
Moline
Peoria
Rockford
Rock Island
Springfield

Indiana

Evansville
Indianapolis (2)
Terre Haute
Vincennes

Iowa

Cedar Rapids
Council Bluffs
Davenport
Des Moines
Sioux City

Kentucky

Louisville (3)

Kansas & Missouri

Kansas City (3)
St. Joseph
St. Louis
Topeka
Wichita

Michigan

Detroit

Nebraska

Lincoln
Omaha (3)

Ohio

Akron
Cincinnati (3)
Cleveland (2)
Columbus (3)
Dayton

Norwood

Springfield
Toledo

Oklahoma

Oklahoma City
Tulsa

Tennessee

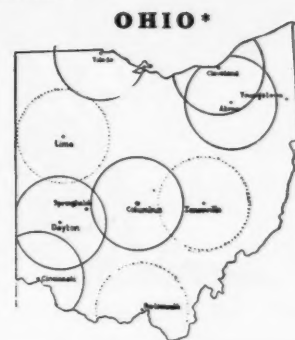
Chattanooga (2)
Knoxville
Memphis
Nashville (2)

Texas

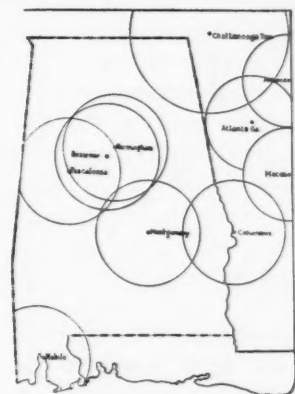
Dallas
Houston

Wisconsin

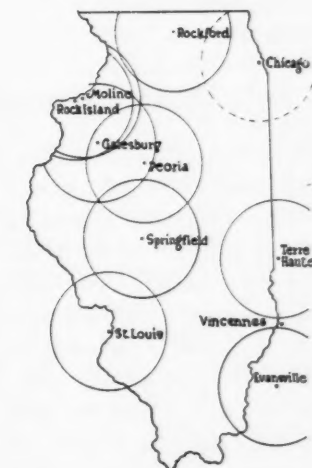
Milwaukee (2)
Sheboygan



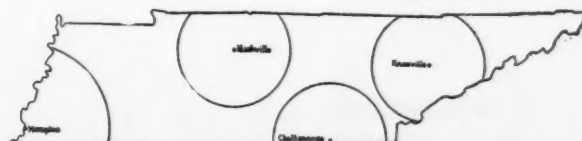
OHIO*



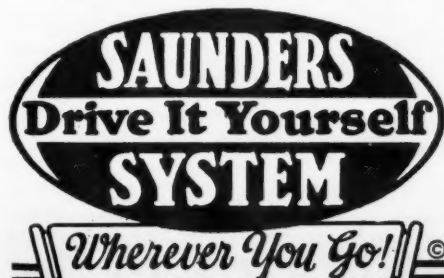
ALABAMA AND GEORGIA



ILLINOIS, INDIANA AND MISSOURI



* The circles indicate a 35 mile driving radius



Why Whisper to the Front Row when the Whole Audience is Eager to Hear ?



IN the South, magazine circulations are small. The greatest magazine you may choose has a circulation equal to little over one per cent. of the total population. Here is a vast audience of twenty-one and a half millions, but only the front row can hear if you try to teach them through magazines alone.

No sane salesman will deliberately turn his back on 99 prospects and whisper his story in the ear of one only.

You *can* reach them through newspapers.

Sell Where Success Is

The total wealth of the South increased 78% between 1912 and 1922. Deposits in Southern banks have jumped from \$2,322,000,000 in 1914 to \$6,514,000,000 in 1923. Yet the gigantic natural resources of the South are only beginning their development. The South is rich. It is becoming richer every year. Here is a vast market, in many cases a new market for the

trade of the country. Here are people ready to buy, people with money to pay. They can be reached through newspapers.

Newspapers Reach the South

The newspaper is a more potent factor in the South than in any

other part of the nation. It is not glanced at and thrown aside. Newspapers find ready and sympathetic listeners. Advertising has its best chance for a friendly reception.

Get the Facts

Those who have goods to sell will want to know more about this tremendous market, its possibilities for them, the ease with which it can be reached, and the merchandising help which the newspapers of the South will give. Write to the Southern Newspaper Publishers' Association at Chattanooga, Tennessee, or to any of the papers listed below.

These Newspapers Cover the Great Southern States

Alabama

Anniston Star
Birmingham Age-Herald
Birmingham News
Huntsville Times
Mobile Item
Mobile Register
Montgomery Advertiser
Montgomery Journal
Opelika News

Florida

DeLand News
Fort Myers Press
Gainesville Sun
Jacksonville Journal
Jacksonville Times-Union
Lakeland Star-Telegram
Miami Herald
Miami News
Orlando Reporter-Star
Orlando Sentinel
Palm Beach News
Sanford Herald
St. Augustine Record
St. Petersburg Independent
St. Petersburg Times
Tampa Times
Tampa Tribune
West Palm Beach Post

Georgia

Albany Herald
Atlanta Constitution
Atlanta Journal
Augusta Herald
Columbus Ledger
Moultrie Observer
Savannah News

Thomasville Times-Enterprise
Waycross Journal-Herald

Kentucky

Paducah Sun

Louisiana

Baton Rouge State-Times
LaFayette Advertiser
Lake Charles American Press
Monroe News-Star
New Orleans Daily States
New Orleans Item-Tribune
New Orleans Times-Picayune
Shreveport Times

Mississippi

Greenwood Commonwealth
Gulfport & Biloxi Herald

North Carolina

Asheville Citizen
Asheville Times
Charlotte News
Charlotte Observer
Concord Tribune
Elizabeth City Advance
Fayetteville Observer
Gastonia Gazette
Greensboro News
Henderson Dispatch
Hickory Record
Kinston Free Press
Raleigh News & Observer
Raleigh Times
Rocky Mt. Telegram
Salisbury Post
Winston-Salem Sentinel

South Carolina

Charleston News & Courier
Columbia Record
Columbia State
Rock Hill Herald
Spartanburg Sun
Sumter Item

Tennessee

Chattanooga News
Clarksville Leaf-Chronicle
Columbia Herald
Greeneville Democrat-Sun
Knoxville Journal
Knoxville Sentinel
Memphis Commercial Appeal
Memphis Press
Nashville Banner

Virginia

Clifton Forge Review
Danville Bee
Danville News
Danville Register
Fredericksburg Daily Star
Lynchburg Advance
Lynchburg News
Richmond News Leader
Roanoke Times
Roanoke World News
Staunton Leader
Staunton News-Leader
Winchester Star

Virginia-Tennessee

Bristol Herald-Courier
Bristol News



"Sell it South Through Newspapers"

Our Most Successful Mailing Piece

Returns Increased When We Lifted Out Part of Our Sales Manual to Live Up Our Direct Mail Advertising

By H. L. Ramsay

Sales Manager, J. D. Wallace & Company, Chicago

THE mailing piece that brought the best returns we have ever received, in eleven years of using direct mail advertising, contained the fewest words of copy.

When we began using direct mail advertising we used comparatively few pictures. Most of the broadsides and folders we used were largely made up of written arguments about our machines, which are used in all sorts of shops and plants where woodworking is done. When we did use an illustration it was usually a pen drawing or an ordinary catalog illustration of the machine itself.

Gradually we began accumulating a file of photographs showing the machines in actual use. In an occasional mailing piece we would use some of these action photographs.

One of the big problems we have always faced is to convince the prospect that our machines would do the work. We use a very small motor in our machines—from one to two and a half horsepower less than most prospects have been accustomed to using for the class of work our machines will do. In order to find a solution for this problem we started in to build up a photographic sales manual, which

was composed of nothing but action pictures of our machines in use in all kinds of shops, in all parts of the country.

This sales manual was one of the most helpful things we ever sent our salesmen. Under each picture was a short caption, giving the name and address of the owners of the machine shown in action, and a very brief description

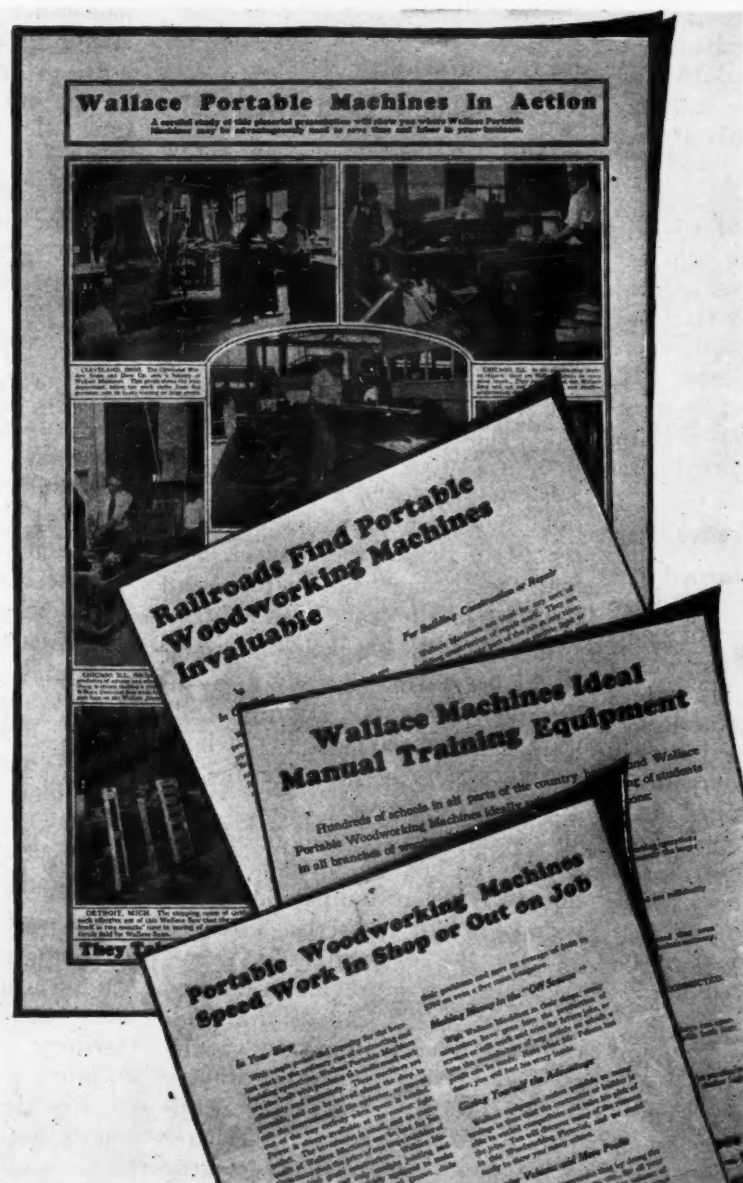
of the sort of work the machine was doing.

The manual was so complete that almost any type of prospect could be shown a machine working under the very conditions he would use it. It was a big help to the salesman in convincing the buyer that our machines would do everything we claimed for them.

Some time ago we sent out a broadside which was made up in newspaper style. There were dozens of little news stories, with typical newspaper headlines, telling just how some machine was being used. This mailing was very successful and it gave us the idea of sticking to the news style of copy.

Early this year when we were planning a mailing, the idea occurred to us that if we could get out a broadside similar in appearance to the rotogravure supplements of the Sunday newspapers it would attract a lot of attention. So we started in to prepare one.

The broadside was printed on stock similar to that used in the "roto" sections. It was 20 by 25 inches in size and was folded four times and held together with a sticker. On the address side there was nothing but our name and the caption, "The Wood Working" (Continued on page 980)



A broadside made up in newspaper rotogravure style with one page of the copy directed to some special field to which the company sells, brought high returns for J. D. Wallace & Company.

When a Territory "Goes Bad"

What Happens When New Salesmen Are Prodded To Frantic Efforts To Show a Quick Increase in Sales

IN one of the midwest's most important cities a building supply manufacturer had watched four salesmen fail in succession—in less than a year and a half.

For many years this market had been a good one for the manufacturer in question. One salesman had devoted most of his time to it, and while he was never looked upon as a "star," he always sent in a steady volume of business year in and year out.

When this salesman resigned to go in business for himself there was no wailing or gnashing of teeth, for it was supposed that another salesman equally as good could be obtained without any trouble or delay.

A promising young salesman who had what appeared to be a good record was sent into the territory shortly after it was vacated. For a new man, in a new territory, this salesman made a good record for the first few months. He opened up a number of new accounts and seemingly was making progress when all at once he resigned.

Humoring the Trade

The third salesman turned out to be one of those fellows who are always just on the verge of "getting things lined up." He was a great letter writer and his letters were replete with advice and suggestions as to how the business should be run, how competitors were cutting prices, turning out a better product, and doing more advertising. He made so many promises about the business which he would soon have "lined up" that he was forced to resign in a few months after he had used up his supply of promises.

In an effort to hold the good-will of the old customers while a successful salesman was being located the credit man was instructed to go easy on collections. "Our trade in this city is in a rather ticklish situation," he was told by the sales manager, "and I think it would be

a good idea to humor our customers until we get a man down there who is capable of taking care of our trade." The credit manager agreed and soon a number of accounts were overdue. But all of the customers were well rated and as the company wasn't exactly pressed for funds, no one worried.

The fourth salesman was a little better. For a time it looked as if he would make good. While he failed to "set the world on fire," he booked a fair volume of business. But in a few months somebody offered him more money and he resigned.

Rebuilding the Territory

The fifth salesman was a raw recruit at selling. What he didn't know about salesmanship would have filled a couple of libraries. But he knew enough to know that he didn't know much. So he eagerly accepted all the advice and instruction which was offered to him.

When he had been in the territory a few weeks he wrote the sales manager and asked for a list of all old accounts, with a complete record of what they owed, how long the account was overdue, and the date of the last order.

Instead of trying to sell anything at all he started in calling on all the old customers. His first calls were made on the customers whose accounts were longest overdue.

One customer who owed a sizeable sum, and who had refused to answer letters, or pay any attention to requests for payment, was found to be bitterly incensed against the company. It seems that one of the previous salesmen had sold him a car of the company's product, promising to dispose of half of it to other buyers in the same city. Before the shipment arrived the salesman had resigned and of course failed to carry out his promise.

The salesman was able to convince this customer that the house

was not at fault—that he was blaming the house for something it knew nothing of. When he left this prospect he had a check in full payment, and the promise of more business.

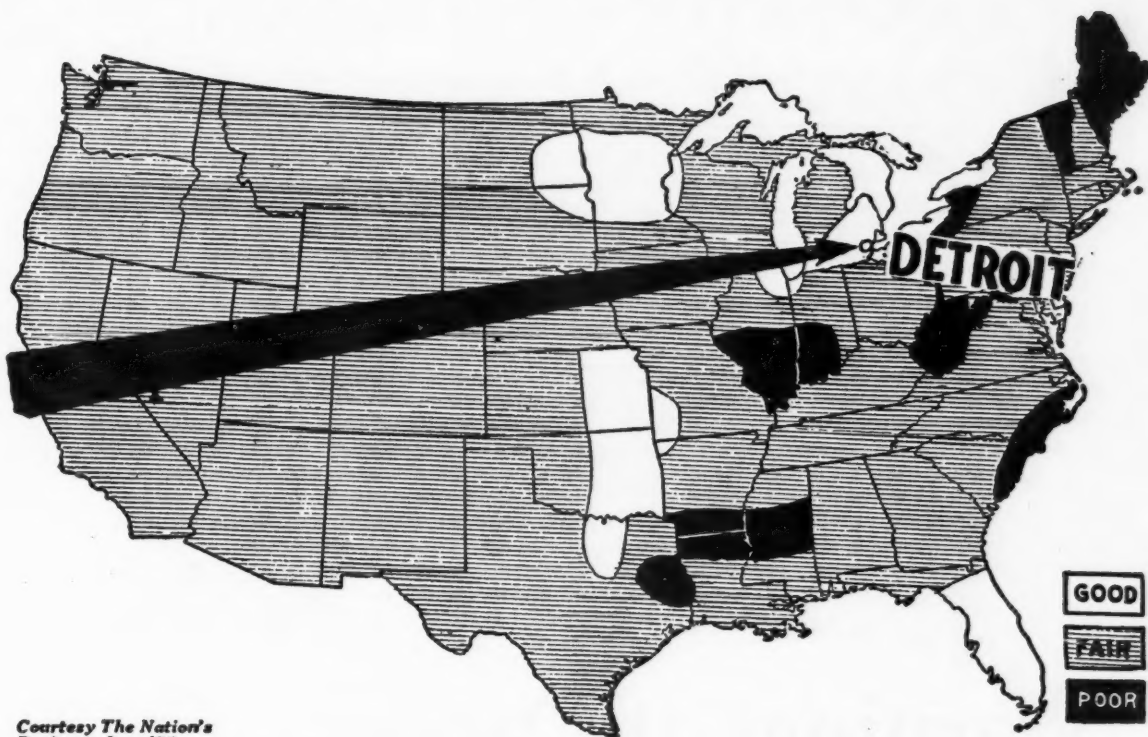
In another case there was some dispute about the return of some damaged merchandise which one of the other salesmen had promised to exchange. The new man adjusted this matter and obtained a small order.

In three months this salesman had either collected all of the outstanding accounts or obtained notes or definite promises to clean up the old accounts at a specified time. Then he was ready to start selling in earnest. Six months after he entered the territory his weekly commission checks were within a few dollars of the amounts being earned by the most successful salesmen in the company's employ.

A Good Start

The sales manager of this company says that he has never seen a territory in worse shape than this one was. "But I learned that we had been making a mistake in urging these new salesmen to hustle for new business. What they should have done was to start right in getting on the right basis with our established trade. Instead they neglected this trade in a frantic rush to make a showing by 'lining up' a lot of new accounts.

"Now, after seeing this green salesman pull a territory out of a bad hole, we are not making the mistake of letting our credit man 'ease up' on collections in temporarily vacant territories. Instead, when we send a man into a new territory, we insist that he devote as much time as seems necessary to straightening out all old accounts, getting acquainted with the trade and adjusting any complaints. Then, and only then, do we want him to start out after new business."



Courtesy The Nation's Business, June '25

Business Is Good in the Detroit Field

THE "NATION'S BUSINESS" for June publishes the above map again showing Detroit as the center of a district where business is noticeably good.

The same condition has held true of Detroit probably more than that of any other city in the United States.

Advertisers seeking a market not only able to absorb their products but also willing to do so, and easily coverable by one newspaper, should come to Detroit, first.

In Detroit, where employment is now at highest peak ever attained for this season of the year, where wages are good, and conditions generally favorable, you can reach practically everyone through The News, evenings or Sundays. No other city of Detroit's size or larger is so thoroughly covered by one newspaper as Detroit is by The News.

And that accounts in part for the leadership of The Detroit News in advertising during 1924 amongst all American newspapers with a world beating record of 30,604,518 lines.

The Detroit News

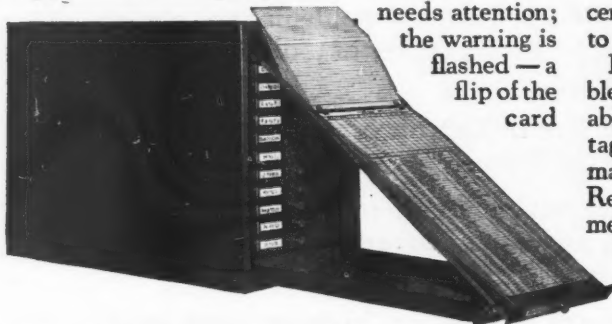
Greatest Circulation Week Day or Sunday, In Michigan

Gordon	James							4	5	6	7	9	10	11	12				
Gerhart	Ralph							3	4	5	6	7	8	9	10	11	12		
Gray	Harry							2	3	4	5	6	7	8	9	10	11	12	
Herman	Fred							1	2	3	4	5	6	7	8	9	10	11	12
Jackson	Herman							2	3	4	5	6	7	8	9	10	11	12	
James	Sidney							2	3	4	5	6	7	8	9	10	11	12	
Karpen	Gerald							2	3	4	5	6	7	8	9	10	11	12	
King	Peter							1	2	3	4	5	6	7	8	9	10	11	12
Kernedy	Frank							2	3	4	5	6	7	8	9	10	11	12	
Lincoln	Edward							2	3	4	5	6	7	8	9	10	11	12	
Mann	George							1	2	3	4	5	6	7	8	9	10	11	12
Masters	Thomas							2	3	4	5	6	7	8	9	10	11	12	
Miller	Morton							2	3	4	5	6	7	8	9	10	11	12	
Nesbit	Jim							2	3	4	5	6	7	8	9	10	11	12	
North	Samuel							2	3	4	5	6	7	8	9	10	11	12	
Newman	Felix							2	3	4	5	6	7	8	9	10	11	12	

Warnings of Danger —saving your profits

Your Business is constantly surrounded by hazards — Surplus Stocks, Over-production, Relaxed Sales Effort, Poor Credit—a score of profit thieves whose stealthy intrusion may pass unnoticed till the harm is done. But Acme guards you. Its warnings are veritable “burglar alarms” sounding their call unfailingly—and unescapably. A condition arises that

needs attention; the warning is flashed—a flip of the card



discloses the facts. Action in time saves the day.

Records should be used, not kept. Facts have no value unless they are known. And Acme makes them known at the right time for the right action.

In all departments—Purchase and Stores, Production, Office Management, Accounting, Credit, Sales—Acme is performing its service for successful concerns the world over—by various methods, adapted to each peculiar need, but with uniform efficiency.

Have you ever seen how Acme Visible Records function? If not, you probably can't appreciate the advantages that are rapidly making Acme Visible Records the Standard method of business.

Use the coupon —and see.



ACME CARD SYSTEM CO., 116 S. Michigan Ave., CHICAGO • Offices in Most Principal Cities

ACME CARD SYSTEM COMPANY, 116 South Michigan Avenue, Chicago

SM 6-25

☐ Have representative call.

☐ Mail Catalogue.

☐ Send detailed recommendations by mail on handling _____ records. (Sample forms enclosed.)

Firm _____

Address _____

State _____

City _____

By _____

ACME

VISIBLE RECORDS EQUIPMENT

The Salesman Who Says, "Oh, I Know All About My Territory"

Some Experiences Which Show That Even Star Salesmen Often Overlook as Much Business as They Are Getting

IN an effort to cut down the number of call backs, the sales manager of a concern manufacturing printed specialties recently got out a letter to all his men urging them to make a concentrated effort to close more business on the first call.

A few weeks after the letter went out he took an afternoon off to go over the replies. He was astonished when he finished reading the letters. Likewise he was considerably amused. Every salesman who answered the letter agreed that the plans outlined were all right—for the other fellow's territory.

"But in my territory the buyers are used to being nursed along. I don't know whether you know it or not, but we have a lot of local competition here and these local fellows have taught the buyers to shop around and wait until the last minute to place the orders." This was one salesman's answer. All the others were surprisingly similar.

"My Territory is Different"

The truth was, the salesmen themselves had simply fallen into a rut. They had become accustomed to taking things easy—to making too many "just dropped in to see you" calls. While every sales manager agrees it is necessary for a salesman to keep in close touch with his trade, we all know that there is such a thing as going too far. And many salesmen have gone too far in this direction.

This sales manager began at the very bottom of the problem and in making a careful analysis of it, found that surprisingly few of his men were making any systematic effort to add new accounts to the books. True, they were all selling a fair portion of new business, but in far too many cases the new business just about equaled the amount of business lost from time to time.

The salesman who has not said to himself, or to his boss, "Oh, I know all about this territory," is a rare specimen. Going over it year after year he would be an exception indeed if he didn't come to that conclusion. The salesmen mentioned at the beginning of this article had, almost without exception, allowed this attitude to govern their work to such an extent that they were overlooking almost as much business as they were getting.

Passing Up Good Business

The sales manager took one territory at a time and listed all the various lines of business to which the salesmen had sold in a period of three months. Then he wrote each salesman special letters outlining the various classes of business they were overlooking.

In one territory he would find a man who had been very successful in selling grocers, garages, and shoe stores. Then in an adjoining territory he would find another salesman who was almost entirely overlooking these three classifications of business. In addition to writing letters calling attention to these discrepancies, the sales manager saw to it that fresh samples were sent each man, each batch of samples being selected from orders which were sold to lines of business the salesman had been neglecting.

When a salesman who had been selling most of his business to department stores ordered fresh samples, the sales manager would see to it that this salesman received a batch of samples from orders which had been sold in a nearby territory to machine shops, industrial concerns, and other classes of trade which the salesman had been passing up.

While it is true that a salesman's ability to sell a specialized line of business is often one of his greatest assets, it is also true that this

ability may seriously hold down his sales.

One company selling an accounting device plans to make half a dozen special drives on certain industries each year. Primarily the idea is to increase sales, but secondarily the company has in mind the training of its men to develop all territories thoroughly so that a man will not have to cover half a state in order to find enough prospects in one or two limited lines to keep him busy.

What a serious handicap this habit of working only one or two specialized classes of business may prove to a salesman is shown in the experience of a very successful salesman who had for several years topped a force of about fifty men. After living in single blessedness for nearly forty years the salesman in question suddenly married. Instead of traveling constantly over a huge territory he decided to settle down, open a small office in one of the larger cities, and devote practically all of his time to this one city.

Working Specialized Classes

For the first few months he did well. Then his sales began to taper off. He was too valuable a man to lose, so the sales manager began making a careful study of his sales. There are about two hundred items in the line he handles. When his sales for several years were tabulated by items, it was found that nearly seventy per cent of his business had been confined to four items.

"Your only trouble is," wrote the sales manager, "that you haven't taken the time to learn the line. The funny part of it is that no one has noticed it before, but you really haven't been selling more than one-tenth of our line—that is, about one-tenth of our best selling items. From time to time you and I have discussed this matter in a haphazard way, but we have never

come down to brass tacks. You always wanted to be left alone. You said you knew what your trade wanted, and that you wanted to specialize in a few items, so we didn't bother you about it.

"But now that you are going to stick to a small territory the only solution I can see is for you to dig in and learn how to sell twenty or thirty more items—items which our other men are selling regularly."

When the matter was finally threshed out it was found that the salesman wasn't carrying anything near a full assortment of samples. It was no wonder that he couldn't make a go of a small territory. He had been working on just a few classes of prospects and having always had ample territory, he never realized the necessity of learning a few new sales talks, and familiarizing himself with a wider range of prospects so that he could sell the complete line.

Not long ago the writer heard two salesmen talking. One of them was kicking about a letter he had just received from his house. Evidently the sales manager had been raking this salesman over the coals for not selling more of the company's higher priced models.

How Competition Develops

The salesman read aloud part of the letter from his sales manager. The letter intimated that the salesman, with all his influence and prestige with the trade, ought to be able to induce them to buy more of the better class products.

"What they don't realize is that my influence and prestige is a result of never having stung my trade with stuff they can't sell. Now in this territory they simply won't buy the high priced numbers. So I have to sell them the cheaper stuff. That's all there is to it."

The other salesman agreed. The complaining salesman represented one of the large stove manufacturers, I afterwards learned. Had he taken the trouble to go out and make a few calls on some of the more modern stores in his territory he would have learned that the higher priced stoves were selling in goodly quantities—quantities much larger than he ever dreamed.

His trouble was that he had neglected to push the higher priced numbers so long that competition had edged its way into the best accounts and the buyers no longer considered him when buying anything but the low priced portions of their stocks.

Yet this salesman would be the first to howl to high heaven if anyone from the house attempted to tell him "anything about my territory." He thinks he knows it backward. In some respects he does, but from the vantage point of the sales manager whose knowledge of conditions is not confined to one territory, this salesman really knows very little.

The "Established Trade" Alibi

One of the surest ways to shatter the salesman's habitual alibi, "oh, my territory is different," or its twin brother, "but you don't know conditions in my territory," is to send a special man into his territory occasionally to sell the items or the prospects which the regular salesman is overlooking.

One sales manager recently tried this plan with considerable success. "Why don't you sell some of our leather line?" wrote the sales manager to several salesmen who had been neglecting this portion of a rather varied line.

"Oh, the Such-and-Such Company of Milwaukee has the trade sewed up," wrote back one or two of the men. "Old man Geezix has been in my territory for twenty-five years and you can't pry the business away from him," one salesman alibied.

"Now if 'old man Geezix' has been in that territory for twenty-five years it is dollars against hot dog sandwiches that he is just getting the regular, established trade. The chances are that he is creating very little new business. I'll just drop into that territory one of these days and see what can be done with our leather line," reasoned the sales manager.

In less than a week the sales manager had closed as much business on the leather line alone, as the regular salesman had closed on the general line in the entire week.

"How on earth did you do it?" was the salesman's anxious query. "I didn't know there was that much leather business in town."

"Easy enough," the sales manager declared. "You and I and everybody else in the industry know that there are certain classes of prospects who ought to use leather. I just hunted them up and in many cases found that no one had been calling on them—not even your 'old man Geezix,' who is supposed to have the trade roped and hog-tied. Now I haven't scratched the surface, but I have shown you that the business is here for the asking if you will just hunt it up and forget all about competition."

So it very often happens that the salesman who howls the loudest about knowing his territory, only knows that part of it which he is working—or only that portion of the possible prospects which he is calling on—the neglected part is the part he only thinks he knows.

Asks Court to Bar Razing of Road Signs

The General Outdoor Advertising Company, and ninety-three other foreign and domestic companies engaged in outdoor advertising, have filed a bill in equity in the Massachusetts Supreme Court asking that the Division of Highways of the Massachusetts Department of Public Works be enjoined from tearing down and removing posters, painted boards, electrical displays and other advertising displays in use by the complainant.

It is contended that the regulations adopted by the state department are unconstitutional under the new state law, and are unreasonable and oppressive. The bill points out that the General Outdoor Advertising Company has \$22,000,000 invested in this business, much of which is located in Massachusetts; that this business has been built up over a considerable period of time and that hardship to many citizens of the state as well as the company would be endured if the law were carried out. Under the terms of the law, which goes into effect July 1, the properties of the company would be destroyed.

The plaintiff contends that the legislature had no authority to delegate to the respondents power to make such regulations.

Send Your Sales Crew Into Altoona

YOUR SALESMEN can quickly interest dealers and get distribution in Altoona, Pa.

Nearly all the citizens in Altoona are American born—at least 9 out of every 10 are American.

Altoona, too, is a home-owning city, a place of beautiful residences and prosperous people.

Altoona is the home of the largest railroad shops in the world—it is the great railroad and industrial city of the state.

Population of City	67,872
City Circulation of Paper	15,844
Number of Families in City	15,458
Number of Wage Earners in City . .	25,000
Extent of Trade Area	15 miles
Population of Trade Area	100,000
Circulation of Paper in Trade Area .	24,718
Total Circulation	Over 27,000

Instruct your salesmen to call first at the Mirror office. We'll help you get contact with dealers.

The Mirror has more than twice as much circulation as the other paper.



The Altoona Mirror

FRED G. PEARCE, Advertising Manager

Business Direct

Forward-Looking Sales Managers

*Make this great
plant their Chi-
cago warehouse*



Are your salesmen in this territory losing orders because it takes too long for your product to come to the trade here from your factory?

Have you figured how much of the money that you spend in advertising and sales campaigns is a total loss because your competitor gets the business on the basis of quick delivery from Chicago stocks?

Do you know that many distributors whose factories are at a distance are finding that it costs actually LESS money to make delivery from stocks carried in Chicago's Big Downtown Warehouse than it does to fill orders direct from their factories?

Our plant at the Pennsylvania Railroad's mammoth freight terminal in Chicago, with its unusual storage and rail-traffic facilities, is definitely designed to provide the modern and economical distribution methods that are necessary to assure successful advertising and sales effort.

If you have not investigated public warehousing as applied to the distribution of your product and want to know why enterprising manufacturers the country over find our services an economy and not an expense, write us now. A dollar saved is a dollar made.

Let us know your particular problem in this market. It will receive the considerate attention of a distribution specialist.

Western Warehousing Company

331 West Polk Street, Chicago

"At the Edge of the Loop"

WILSON V. LITTLE, Superintendent

Mr. Montague is Right, Says Cheltenham Bold

IT appears that some remarks of mine in the April 18 issue of Sales Management on the agency commission system do not jibe with the conclusions of Mr. Gilbert H. Montague as to the legal relationship between advertising agents and their clients, and I have been asked what about it. I stated, for example, that "Instead of being a purchasing agent, the advertising agent is in fact an independent contractor who agrees to furnish all the materials and service to do a certain job, for which he is to be paid a percentage on the gross cost of the materials used."

Now comes Mr. Montague with a pretty convincing demonstration that the advertising agent is not an "independent contractor" at all, but is in fact the legal agent of the client from whom he derives his sole authority.

Treacherous Words

Mr. Montague is a recognized authority on legal matters, while I am not. I am perfectly willing to bow to his superior authority, and in doing so to make such apologies, retractions and recantations as may be necessary under the circumstances.

Behold, however, how the perfectly innocent use of words can betray a man! The term "independent contractor," it appears, has a legal meaning that is precise and definite, as well as a colloquial meaning that is somewhat hazy in its outlines. I used it in the latter sense, for want of a better term at the moment to express my meaning, and look what happens!

As a matter of fact, however, my collision with Mr. Montague has not weakened the force of the point that I was trying to make; namely that it is the advertiser who pays the agent's commission in every case, and not the publisher, the printer or the engraver. The fact that the agent's remuneration is called a "commission" rather than something else, and is usually measured by the cost of the space and materials purchased for the

client's account, does not alter the fact that it is paid by the client and by nobody else. That holds good whether the agent is the legal agent of his client, or an "independent contractor," or something else again. It holds good whether the agent bills the client at card rates and buys at 15 per cent less, or bills the client at net cost plus the commission.

Argument Still Stands

So while I am perfectly willing to stand corrected on the agent's status as an independent contractor, I am not yielding an inch on the main contention that we are not in the position of purchasing agents who are receiving commissions from the sellers of merchandise. We are simply receiving remuneration from our clients that is based upon the size of the job that we undertake to perform, just as the architect receives his compensation in the form of a "commission" on the total cost of the job. Nobody that I know of is rending any garments over the iniquities of the commission system as applied to architects, and unless I have seriously misinterpreted Mr. Montague's legal opinion, the commission system as applied to advertising agents is just about on all fours with it.

As I said in the article previously referred to: "I'll willingly admit that the commission system makes it a little easier for the crooked agent to milk an account, or for the incompetent agent to waste a client's money. But the same thing is true of the commission system as applied to the work of the architect, the consulting engineer, or any other professional or semi-professional adviser." In clearing up our doubts and misconceptions as to our precise legal relationship, Mr. Montague has simply made that statement more emphatic than ever.

"Building a Market Plan" was the subject of an address by H. Walton Heegstra, delivered at the dedication of the Automotive Equipment Mart June 19, Chicago.

Pacific Coast Clubs Meet July 20-22

The convention of the Pacific Coast Advertising Clubs' Association to be held July 20-22 in Seattle, will have as its principal theme, "The Pacific Coast as a Market."

Arrangements for speakers have not yet been completed, but Joseph A. Davidson, of the Portland Oregonian, chairman of the general sessions program committee, has announced that plans include invitations to a number of nationally known men. Among the speakers will be Hon. E. T. Meredith, publisher of Successful Farming, and a former president of the Associated Advertising Clubs of the World. It is also possible that C. K. Woodbridge, the newly elected A. A. C. of W. president, will make an address. The keynote address will be given by Dr. Henry Suzzallo, president of the University of Washington.

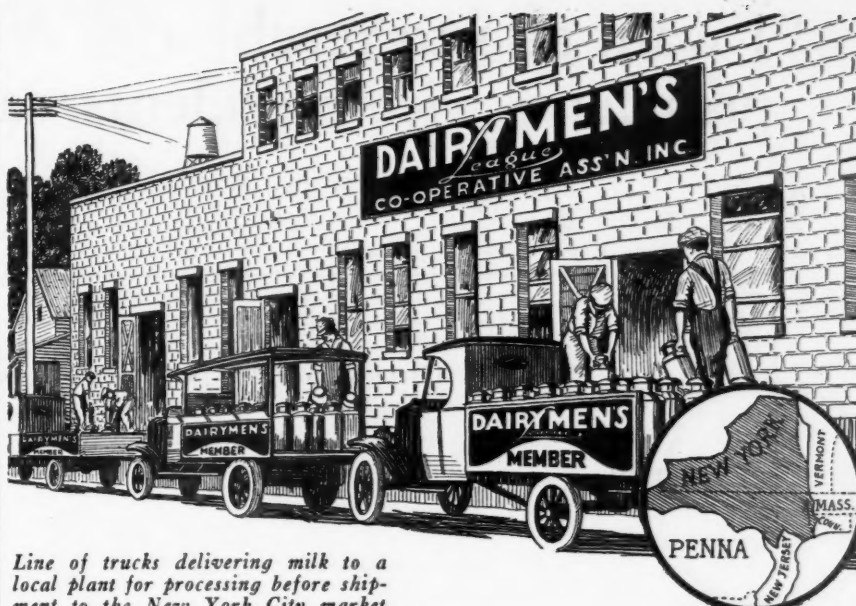
The usual departmental sessions will be held at alternate hours with the general sessions.

Elaborate arrangements have been made for the entertainment of the delegates to the two day sessions. The features will include an informal dinner and dance, a stunt night at which various Pacific Coast clubs will present skits; and, on the last night, a formal banquet and dance in the Spanish ballroom of the Olympic Hotel. An excursion will be conducted at the close of the convention to Mount Rainier, including a trip through Longmire Springs and Paradise Valley.

Building Program for 1925 to be Six Billion

If the present pace is maintained in building operations, the year's building investment will amount to approximately \$6,000,000,000, according to an estimate made by T. J. Vernda, president of the India Limestone Quarrymen's Association.

Based on preliminary reports for May, Mr. Vernda said the total for the first five months of 1925 was approximately \$2,400,000.



Line of trucks delivering milk to a local plant for processing before shipment to the New York City market

Map Showing Area Comprising the New York City Milk-Shed.

What Do You Mean - "New York City Milk-Shed"?

IN the days when we used to munch apples behind the broad covers of the geography, we learned how the rivers and streams drained large territories. These were known as the watersheds.

The waters of a large area are drained by the Hudson to be swept into New York harbor. And the milk of an even larger area is carried by railroad lines into New York City. This area, comprising one of the wealthiest dairy regions of the world, is known as the "New York City Milk-Shed."

The dairymen living in this area command the greatest fluid milk market in the country. Moreover, they are strongly organized through the Dairymen's League for collective bargaining. They are this year receiving higher prices than at any time during the past decade.

With these dairymen, summer is the season of greatest income and lowest expense. The milk checks are generous, due to sustained prices and large milk flow while the cows are in pasture gathering their own feed, practically without cost to their owners.

Summer is the best time to talk business to the readers of the Dairymen's League News. Through this paper, advertisers can be sure of reaching every active member of the Dairymen's League. These men give first preference to the paper which they themselves have established.

Now is the time to use generous space, and the cost is moderate—50c a line for a circulation which has averaged 70,000 for the past six months. Published every Friday, last forms close on Monday of the preceding week.

A request will bring you Sample Copy and Rate Card

NEW YORK
120 West 42nd Street
F. M. Tibbitts, Bus. Mgr.
O. E. Everett, Adv. Mgr.
Phone Wisconsin 6081

DAIRYMEN'S
League
NEWS

CHICAGO
10 South LaSalle Street
John D. Ross
Phone State 3652

**"The Dairy Paper of the
New York City Milk-Shed"**

"I want also to reach presidents, vice-presidents, sales managers"

So Mr. Carmical uses Sales Management, of course

CHICAGO EVENING AMERICAN DEPARTMENT OF PUBLICITY AND PROMOTION CHICAGO, ILL.

OFFICE OF
ANDREW L. CARMICAL
DIRECTOR

May 29th, 1925.

Mr. J. F. Weints,
Advertising Manager,
Sales Management,
Chicago, Ill.

My dear Mr. Weints:

Under separate cover I
am mailing you a plate for the first piece of copy on
the Hearst six-city group of evening newspapers.

I am glad, indeed, to be
able to use Sales Management in this campaign. My own
experience with promotion as regards the Chicago Evening
American has demonstrated that your publication reaches
a field that too many publishers are inclined to overlook;
namely, executives who may not be actual buyers of space
yet who yield a tremendous amount of influence in saying
when and where advertising shall be done.

In other words, while it
is vitally essential to reach the space buyer, I want also
to reach presidents, vice presidents, sales managers,
salesmen who some day will be sales managers--in fact
everyone that may directly or indirectly be interested in
advertising.

The fact that Sales
Management not only reaches actual buyers of space but
also the class referred to above makes it, in my opinion,
an ideal publication for the promotion of a newspaper
property.

Very truly yours,

A. L. Carmical
Director of Publicity
and Promotion.

A.L.Carmical:C

**SALES MANAGEMENT HAS MORE SALES EXECUTIVE SUBSCRIBERS
THAN THE THREE OTHER SALES AND ADVERTISING JOURNALS COMBINED**

The Dealer Who Holds Out for the Jobbing Discount

How Sales Managers Call the Bluff of the Dealer Who Tries to Sidestep the Jobber

By Will G. Caldwell

IT was one of those unusual stores in a small town, the sort of store that is managed by men who could make a success on Broadway or State street had they chosen to operate in Chicago or New York, instead of Gopher Gulch.

The salesman was making a desperate and prolonged attempt to close an order for a line of food products. The buyer seemed just about ready to reach for his pencil as the salesman pushed the order blank at him.

"Of course you are going to give us the jobbing discount on this order," said the buyer, his pencil poised just above the order blank. It was an old trick of this dealer. It had worked so often, for it was known that his business amounted to more than all the other dealers in town. Salesmen are human, and with an order all written up it is hard to turn it down.

But this salesman was a new man, decidedly conscientious. He didn't know what to do. He tried to explain that it was against his house policy—that they sold through the jobbers only.

The "Direct List" Mania

"Yes, yes, I know all that, but you don't understand," the buyer objected. "We are in a position to buy more than any of these small jobbers around here. We don't buy through them. We buy direct. All the big houses have us on their direct lists. If you can't do as well there's no use taking up my time."

And the interview was closed.

This situation is not a new one. Big dealers in small towns, big dealers in big towns, the department stores, and any number of other dealers seem to lie awake nights scheming up plans to "crash the gate" into the inner portals of "direct" lists, which put them on

the same buying basis as the jobbers. And it is surprising how many of them are successful. You'll find a little corner druggist in a certain foreign neighborhood in Chicago buying direct from one of the largest pharmaceutical houses in the country. He does a sort of catch-as-catch-can, hand-to-mouth jobbing business among owners of small drug stores in his vicinity. Then he sells certain products to owners of all kinds of small stores—the kind of merchants who house a huge family in the back room and run a little business in the front end of the building.

Calling a Dealer's Bluff

Is this fair to the "legitimate" jobber? Is it fair to the other dealers who buy on the regular basis from the jobber? Is it a policy which is undermining the manufacturer's jobbing allies?

Of course there is no set answer to any or all of these questions, for at times it does seem as if the only way to obtain a certain juicy volume of business is to put a dealer on the jobbing basis. It is argued that the dealer will not buy from the jobber anyway, so why turn up noses at good business simply to back up the jobber when he is unable to obtain the business in any event?

Putting dealers on the direct list is often brought about by the over-anxiety of a salesman to build up business. Certain dealers explain that they are on a direct-buying basis with competing manufacturers. The salesman hastens to write a letter to the house assuring the sales manager that "So and So's business is to be had only when we put them on the direct list as all our competitors have done." The sales manager grabs the bait, soothing his conscience with the idea that "everybody's doing it."

It often happens that a dealer will claim to be on a direct list when he isn't. A case such as this was recently turned up by a salesman for one of the large tobacco companies. A certain dealer claimed to this salesman that he was on the direct list of three of the largest tobacco companies in the country. The salesman had heard the same story many times before. So he quietly began an investigation. From jobbers' salesmen he learned that the dealer was buying most of his tobacco from a jobber on a cut price basis. From friendly competitive salesmen he learned that none of the three big companies was selling him direct.

It turned out that he was buying a small quantity of "off brand" stuff from a couple of small, obscure factories who sold him at jobbing prices because they had been doing so for years. Instead of getting on the direct list, this dealer fixed it so he would never get on the direct list of any of the four manufacturers, because he was trying to play one against the other.

Countering the Argument

One sales manager, whose salesmen were bothered with dealers who were always trying to buy at jobbers' prices, wrote his salesmen asking them to put it up to the dealer in this way:

"When a dealer asks to be put on the jobbing list tell him that we will be glad to put him on this list if he will promise not to kick if we go around and sell all of his best customers at wholesale prices. Tell him that if he wants to get the benefit of jobbing prices that he can't blame his own customers if they want to take advantage of the same privilege.

"The dealer who expects to eliminate the jobber in his buying program cannot kick if his best

customers make an effort to eliminate him. Almost every jobber in the country has been offered business from boarding houses, farmers whose purchases are large, and other buyers who object to paying the retailer a fair profit. But most jobbers refuse to consider this business. They protect the retailer. So we protect the jobber. The whole business structure as we know it today depends on orderly marketing. The dealer who tries to eliminate the jobber entirely is simply making it easier for the many other factors in business that are working against him."

Nearly every manufacturer will admit, even though not for publication, that he has at one time or another put certain dealers on the direct list, in spite of a general policy against the practice. Others frankly admit having lost more than enough in jobbers' good will and in actual business to make it a very expensive policy to put dealers on a jobbing basis.

Putting It Up to the Dealer

On the other hand, some manufacturers have capitalized their refusal to sell dealers direct. In one case it was well known that a number of manufacturers were giving jobbing prices to an unusually large retailer in a rather small town. One manufacturer refused and by tactfully explaining to the jobbers that it was up to them to give him enough increased business to make up for the loss of sales to this concern, he was able to build up a much larger trade than the big dealer could ever have given him.

"When we finish questioning a dealer who thinks he is entitled to jobbing prices, we usually have him convinced that he doesn't want to buy direct," said one sales manager. "In the first place we ask him how many salesmen he is going to travel. Of course he never intends to put any men on the road. Then we explain that our discount to jobbers is for the purpose of paying them for selling our goods, and building up goodwill and future business for us. Then we ask him about discounting bills for quantities of our goods that fairly stagger him. Then we ask him for a written list of all concerns who are selling him

at jobbing prices. In other words, instead of trying to show him why we can't put him on the same basis as our jobbers we turn him around and put it up to him to convince us that he belongs there. It is he who is on the defensive, not ourselves. Most dealers who begin to develop jobbing ambitions have no conception of the responsibilities that go with wholesaling. All they can think of is the extra discount. When we start showing them what we expect they usually agree that it is best to be content as retailers."

The Big Store Problem

The big store presents an entirely different problem. Many of the larger retail stores have wholesale departments and are legitimately entitled to wholesale prices. Very often the jobbers do not care to handle the big store's business and are perfectly willing for the manufacturer to go direct to some of the larger department stores. But most manufacturers have found that the really big stores will not buy through the jobbers, only when they are forced to do it, and that it is better to sell them direct than to pass up the business.

Many manufacturers have instructed their salesmen to make no promises of any kind when a dealer holds out for the jobber's discount. In fact, some houses have very strict rulings that the salesman must invariably refuse to consider the matter when brought up by a dealer. Others ask their salesmen to turn in a full report and then assign some district or branch manager to work out a solution to the question if the request comes from some dealer who has some slight reason for thinking that he is entitled to jobbing privileges.

Dealers devote about half the time during conventions to scoring jobbers who sell direct to consumers, yet these same dealers go home and tell salesmen they are in the wholesale and retail business when the only evidence of wholesaling to be found around their places of business is a line on their letterheads which reads, "Wholesale and Retail."

Perhaps the plan followed by the sales manager of a specialty house is as good as any. "When one of our salesmen writes in and asks

permission to sell So and So at a jobbing discount," he says, "I immediately make up a record of the business this dealer has given us. We have the records of all drop shipments. Usually when this business is totaled up we find the dealer's purchases for a year have about equaled a fair month's business from a small jobber. We place these facts before the salesman and ask the salesman to find out how much he thinks the business will be increased if the dealer is given the jobbing discount. Often the dealer will declare that he could double the business if he were 'treated right' on price.

"Then the salesman can pin him down and ask him for the business on that basis. Usually the dealer backs down for he knows, down in his own heart, that he probably will not sell 10 per cent more as a result of the price concession.

"We used to worry a lot about these problems. But when we analyzed the situation and began putting it up to the dealers to show us why they were entitled to the jobbing discount, rather than trying to show them why they were not, we immediately cut off half the really serious requests for jobbing prices. Most of them were merely bluffs in the first place."

And, according to most of the sales managers who have really dug into this problem, that's all they are—just bluffs.

Sears-Roebuck to Sell Coal by Mail

Sears, Roebuck & Company have added coal to their list of mail order products, according to a recent announcement. Orders for coal in carload lots will be taken and the coal will be purchased direct from the mines in southern Illinois. The company expects to make little or no profit on the handling of coal in this manner, says a statement from C. M. Kittle, president of the company, and expects to save customers from \$1 to \$3 a ton on the price.

P. L. Thomson, publicity manager, Western Electric Company, New York City, addressed the San Francisco Advertising Club on "Advertising as a Factor in Moulding Public Opinion," at a meeting held June 17.

Sales manager wanted

If you are now earning \$10,000 yearly —
If you are over 35 years of age and a Gentile—
If you can show a successful record of hiring
and managing highest grade one-call
specialty salesmen —

An established manufacturer has an opportunity for you to earn over \$40,000 annually.

Patented labor saving machine that fills a long existing need among high class manufacturers. Absolutely no competition. One of the best sellers ever put into the specialty field. Just enough sales made to establish substantial background. 95% of potential prospects yet to be called on. Machines installed on three weeks' trial result in 99% sales without further sales effort. Strong advertising support—complete salesmen's kit showing photographs of prominent installations and hundreds of letters from satisfied firms stating machine pays for itself in from three to twelve months.

This ad appears in several leading publications, so it is to your advantage to outline your previous experience in considerable detail in first letter, which will be held in strict confidence.

Box 688, SALES MANAGEMENT
1801 Leland Avenue, Chicago

MASS PRODUCTION and DISTRIBUTION

Uppermost business topic of the day



THE WAY OUT

by Edward A. Filene

Contains the answer to America's biggest problem—one affecting every business and individual in our country.

It clearly points out—

How mass production and mass distribution is affecting every business no matter what kind or size.

What the retailer faces in the new scheme of distribution.

How to meet the coming tooth and claw competition.

What is meant by a Fordized America.

How capital and labor can pull together successfully.

Why decentralization industry will aid social progress.

When wages become counterfeit.

Why Big Business is the best way out.

Basic changes are taking place now

Modern business is facing a set of conditions for which there is no parallel. The very foundations of our production and distribution systems are undergoing important changes.

Edward A. Filene, the noted Boston merchant, in his remarkable book, clearly analyzes these changes and indicates the way out.

Business men, labor leaders, bankers—every one interested in the way America is going, will profit by reading this useful book—a real inspiration in your work.

Send for new popular edition

Use the coupon or get your copy at any book store for \$1.50.

DOUBLEDAY, PAGE & CO.

Garden City, N. Y.

Doubleday, Page & Co. S. M.
Garden City, N. Y.

Please send me a copy of Edward A. Filene's new book, "The Way Out." If my remittance does not accompany this order I will pay the postman \$1.60 (\$1.50 for cost of book plus 10 cents for delivery charges).

Name.....

Street.....

City.....State.....

Legal Relationship Between Advertising Agent and Client

(Continued from page 948)

improve its service, but that near the end of the year, when the advertising agent had presented its plans for improvement, the advertiser would announce its decision as to continuing the relationship for the next year. Meanwhile, the advertising agent, in planning the advertiser's 1920 tire advertising, did all the preliminary work customarily done by an advertising agent in reaching a determination as to the publications to be used and the extent of the space to be reserved, and in November, 1919, the advertising agent made space reservations in newspapers and periodicals for the advertiser's 1920 tire advertising by mailing to the newspapers mimeographed forms of contracts and by making reservations in the periodicals at conferences with representatives of these periodicals in the advertising agent's New York office. On December 1, 1919, the advertising agent submitted to the advertiser various illustrations and plans for the 1920 tire advertising, and on December 2, 1919, the advertiser, in a letter to the advertising agent, after various criticisms of the advertising agent's service, stated that the presentation of the copy that was made yesterday pleased me very much; but I also want to say that this is the sort of presentation that I hoped many times would be forthcoming, not once, but frequently, throughout the year, rather than to have it come as a special matter. I do not know, however, that any of the copy in itself would be valuable. On December 15, 1919, the advertiser wrote to the advertising agent:

After full consideration we have decided to place the handling of our tire advertising account with another firm from January 1, 1920. As I told the several representatives of your firm who were in conference with us a few days ago that we would arrive at a decision as to our agency relationship immediately, I am writing you in fulfillment of that promise. You will, I know, cooperate in the adjustment of any outstanding business, and in the proper transfer of our business to the agency selected.

On December 17, 1919, the advertising agent wrote to the advertiser: In our letter of May 7 last we suggested that you consider yourself released from the then existing agreement between us for the care of your advertising, with the understanding that orders in hand or contracts made on your account or which might subsequently be made on your account, would be completed by us to the best of our ability. In conformity with that understanding we shall within a few days advise you the exact status of our outstanding obligations in this connection. After more correspondence, the advertising agent on January 16, 1920, wrote to the advertiser: On your request we will at once make all contracts with your publications available to your order, but we shall expect payment of the amount of our commission in due course.

Thereafter, the advertising agent sued the advertiser, and at the trial the chief issue before the jury was whether in this advertising agency contract, the term placing advertising did, or did not, call for the performance of further services after and in addition to the reservation of space. The jury held that it did not, and awarded to the advertising agent \$91,615.67, being full commissions and interest on the newspaper space reservations above mentioned, and \$87,005.21, being full commissions and interest on the periodical space reservations above mentioned, which with costs amounted to a judgment of \$178,620.87, none of which space, so far as appears, was ever occupied by any copy prepared by the advertising agent.

The Ayer case is exceptional only in the sense that it is one of comparatively few disputes between advertising agents and their clients that have been threshed out in public. As a result of it, however, a number of advertisers have insisted upon revising their contracts with advertising agents, and have entered into agreements that are as juggled in favor of the client as the Ayer agreement proved to be in favor of the agency.

Standard Definition for Terms

I do not know whether it would be practically possible to work out a standard form of contract for agency service, corresponding to those that have been adopted by other semi-professional groups. It ought at least to be feasible, however, to arrive at some generally accepted definition of the terms that are practically unavoidable in contracts of this character; such terms, for example, as "placing advertising," "handling advertising," etc., etc., and to list for the guidance of advertisers and agents alike, the specific questions that are almost certain to arise, and which should be settled definitely in advance.

In conclusion, there is one general observation that should be made. Most of the agency contract forms examined contain more or less of what can only be defined as "selling talk"—promises of the closest possible cooperation with other departments of the advertiser's business, assurances that mutual satisfaction is the only basis

of agreement, and so following. There is no present question as to the sincerity of such promises, or the intention of either party to live up to them scrupulously. But their meaning is quite indefinite, and the limits of the authority conveyed and accepted by them is entirely uncertain. Loose and indefinite promises of this sort, when written into a contract, simply raise the presumption that the whole document is to be construed with the same latitude of interpretation.

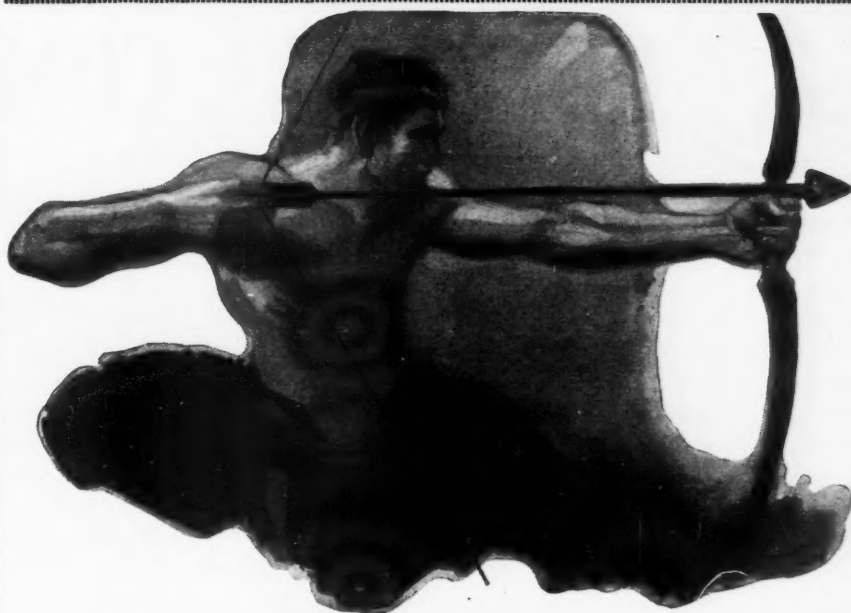
Ad Meetings to be Held at Columbia

A series of national conferences on advertising, held among a group of advertising experts and headed by the Hon. E. T. Meredith, ex-secretary of agriculture, will be held at the summer session of Columbia University. An entirely new type of advertising course will be given, the announcement says.

Fifteen lecturers will comprise the teaching staff. Among them are: Charles Edison, chairman of the board, Edison Industries; H. S. Gardner, president, the American Association of Advertising Agencies; Daniel Starch, director of research, the American Association of Advertising Agencies, and associate professor of business psychology, Harvard School of Business Administration; C. K. Woodbridge, president, the Associated Advertising Clubs of the World; Harry Tipper, publisher.

Others include: Louis Wiley, business manager of the New York Times; Gilbert T. Hodges, advertising director, the Munsey Magazines, president the Magazine Club and vice president, the Advertising Club of New York; Gilbert Kinney, vice president, J. Walter Thompson Company.

That there is a bright outlook in industrial and economic conditions in European countries, is the opinion expressed by Adolph S. Ochs, publisher of the New York Times, who has just returned from a tour of England, France, Italy and Spain. Mr. Ochs expressed the belief that there were years of prosperity ahead in spite of the many problems which it would require a high type of statesmanship to solve.



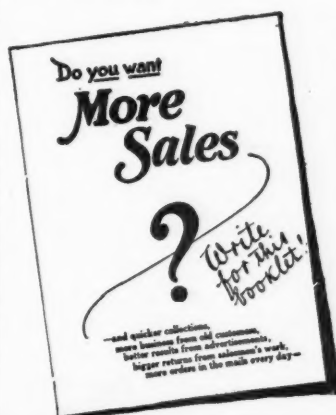
Shooting straight at your target— more sales follow the steady use of really good letters

Consider this user's remarks. Let his own words, describing his experience, tell of our values to you. "Your man stated that if we 'hoovenized' our letters the returns would be much better. We didn't believe him. However, he insisted so much that we put in one machine."

"The results were so astonishing that we sent in a hurry call for two more. The letters written on our Hoovens were 30% more productive of actual orders than our former perfectly filled-in letters. The Hoovens paid for themselves in one month."

"I have recommended Hoovens to a great number of people since, and those who took my advice are as enthusiastic as I am."

A copy of the letter quoted, and our free booklet may prove valuable to you. Mail the coupon.



Write and get it—now

General Sales Office, H. A. T. Corp.
1100 Plymouth Bldg., Chicago, Ill.

Send your booklet, "MORE SALES," that tells how users increase sales, collections, etc., with genuine, personal, human letters at low cost.

Name _____

Position _____

Company _____

Address _____

The
HOOVEN
Automatic
Typewriter

Manufactured by

HOOVEN AUTOMATIC TYPEWRITER CORPORATION
HAMILTON, OHIO



EDITORIAL COMMENT



Easing the Salesmen to Forget the Weather July and August are usually difficult months for the salesmen—particularly August. With their own inertia and buyers being away from the office, even the most energetic salesmen find it harder to get business. The less energetic easily surrender to conditions. They console themselves for their lack of business by a promise of big business this fall. The right kind of a sales manager will anticipate this condition and plan something to keep the salesman's mind off the thermometer. He will find some line of business that responds especially well in July and August, and start his men out after it. Or he will select some product that lends itself to summer selling and put up a few good prizes. He may do neither of these. He may do something better. But he will do something. That is the point.

Whatever your plan for keeping salesmen on their toes during the warm weather may be, don't make the mistake of harping on the weather in your bulletins. Some sales managers studiously avoid all mention of the weather in their weekly message during the summer. However, this can be carried too far. When the thermometer is hovering around the nineties, ignoring the fact won't make it cooler. Neither will it infuse the men with a desire to step up to the plate and hit the ball on the nose. But the right kind of a letter, stating that you know it is warm but you also know that Bill is not the kind of a salesman to let a little hot weather stop him, might do the trick. If it includes a few pointers on where and how to get some summer orders it will be that much more effective.

An Experiment in Doing Without a Sales Manager About two years ago the head of one of our great industries came down to the office with a frown. The night before he had decided that he was paying too much money for sales supervision. Why did he need a sales manager anyway? His was the dominating concern in the industry—a recognized leader. He set the styles and others followed. He made the prices and the rest fell in line. He had no selling problem—it was entirely a manufacturing problem. So that noon he sent the vice-president in charge of sales a note saying his services were no longer required, and placed the sales department under the production manager! It was all very sudden; all very much like the man whose independent thinking had made him an outstanding figure in American business.

But time has evidently convinced this manufacturer that a business without an experienced man in charge of marketing is like a ship without a rudder. At any rate he has engaged one of the biggest sales managers he could find and placed him in full charge of sales, with the title of vice-president. Perhaps the experience of this manufacturer may cause others who feel they are paying too much for sales administration to "stop, look and listen" before taking impulsive action. A capable sales director is worth all he costs and a lot more besides. The work which he does is reflected not only in this year's profits, but in the earnings of the business for years to come.

A Million Salesmen in Fords According to an article by Paul L. Kinkead in "Liberty" for June 27

there are 1,250,000 automobiles in use by salesmen in the United States. The Ford Motor Company alone claims 1,000,000 of its small coupes are in daily use in selling. Without stopping to question the accuracy of this figure, which seems high, it would indicate that salesmen are making too many calls for the volume of business being done. It suggests that it might be well to check up again on whether automobiles for salesmen really pay.

From investigations Dartnell has made, we find that there are a number of territories where traveling a man in a car is a mistake. He can get around just as easily and less expensively by interurban. We also find that there are certain lines of business where an automobile encourages a salesman to hurry through his calls, leaving undone a great deal of the customer relations work that he used to do. We further find that there are some territories where a car can be used to advantage in covering a part of it, but is a handicap in covering other parts. There are other objections, such as the temptation a car puts in the way of a salesman to make a few extra dollars on the side "taxying" a fellow salesman, a diversion which invariably leads to his neglecting the company's customers in order to give "service" to his "passenger." Then there is the use of the company car for personal purposes. Of course, there are many territories where an automobile pays. We are not advocating returning to trains entirely. But we believe sales managers have gone to extremes in providing salesmen with cars. Because one territory paid, every man on the sales force has been motorized. We are certain that most fleets of cars could be reduced one quarter without hurting sales, yet saving a good deal of money.

Our Specialty is Advertising

New Teacher:

"Willie, three oranges from five oranges leaves how many oranges?"

Willie:

"Please, mum, we allus does our sums in apples."

Sometimes an advertiser reasons, "I don't think we better give our account to the X. Y. Z. agency. Its success has been with food products, while ours is a toilet preparation—or, it has had experience with a luxury, while ours is a staple."

If that is true, there is something wrong with the agency. We are sure there is one agency, at least, whose specialty is not foods or toilet articles, not luxuries or staples, but advertising. It does its sums in apples, oranges or pomegranates. It has no prescription or formula. Nothing but an open mind, experience in advertising, and the belief that somewhere in each business is the right way to advertise that business and that the way can be found by studying the business and applying the advertising experience to what is learned.

CALKINS & HOLDEN, INC. 247 PARK AVENUE, NEW YORK CITY
Specialists in Consumer Advertising



Our Most Successful Mailing Piece

(Continued from page 963)

Pictorial Containing Suggestions that May Prove Valuable to You."

Our lists are divided into various classes—carpenters and contractors, railroads, manual training schools, manufacturing plants, etc. So we used one section of the folder for a special appeal to these various prospects. All the pictures were the same on the entire mailing.

In Newspaper Style

On the inside pages we used a number of photographs from our sales manual, each photograph being supplemented with a short piece of copy similar in style to the captions or rotogravure pictures in the Sunday papers. Here's one that is typical: "Detroit, Michigan. The shipping room of Graham Brothers Truck Company makes such effective use of this Wallace Saw that the superintendent claims it paid for itself in two months' time in saving of material alone. Shipping rooms offer a fertile field for Wallace Saws."

The entire broadside was printed in a photogravure brown ink, and resembled very closely the average "roto" section.

This mailing went to about 80,000 names, many of which were put on our lists for the first time to receive this broadside. They were not handpicked names which we knew to represent prospects. But in spite of this, the mailing pulled better than 2,500 answers. While we have not had time to check up actual sales which have been made by our salesmen as a result of the leads obtained, we are confident that the men are closing a high percentage of the leads. All in all, it was our most profitable mailing.

We have since mailed out another forty thousand of these broadsides to a special list of small carpenter shops and contractors. Because these prospects usually have no offices and are poor correspondents, we enclosed a stamped reply card. Putting the stamps on the reply cards increased returns about 30 per cent.

We have found it a mistake to send out too large a mailing at one time. In the past when we have done this we have flooded our salesmen with leads. When a big mailing goes out some of our salesmen are sent from ten to thirty leads in one day's mail. When this happens the salesmen are prone to pick and choose and select the leads that look best to them, follow these up and let the others go.

It is now our plan to send out our mailings over a longer period of time, so that the returns will come back in smaller quantities. In this way we can send a salesman one or two leads at a time. Then we know each lead will be carefully followed up, and a higher percentage of sales closed.

Richmond Mills to Erect London Factory

Britain's recently erected tariff barrier against the importation of American-made hosiery has resulted in a decision by the Richmond Hosiery Mills, Chattanooga, Tennessee, to start construction in July on a plant to cost \$150,000, within a short distance of London. This plant will have a capacity of about 500 dozen pairs of seamless silk hosiery a day.

The new plant will be equipped with American-made machinery of the most modern type to meet British competition.

Charles W. Hoyt, Inc., New York advertising agents, will handle the account of Edward V. Hartford, Inc., Jersey City, New Jersey, manufacturers of shock absorbers.

O. K. Davis, secretary, the National Foreign Trade Council, addressed the Advertising Club of Seattle at a meeting held June 27.

The National Sales & Distribution Company have placed the advertising for their Hamilton Radio Reproducer with Norris-Patterson, Limited.

High grade art cover

Handy memo pad

Your ad. here

U. S. ART DESK PAD

Clothe the personality of your business in an atmosphere of Art and Quality

IN this advertisement we show illustrations of "Desk Memo Pad" and "Personal Memoranda" gift novelties. Desk reminders for your trade, such as these, when bound in Super Finish Art. Leather, breathe the subtle spark of personality into the customer's impression of your business. Their beauty not only attracts attention, but invites the place of honor on the customer's desk.

Super Finish Art. Leather looks and feels like leather, but wears better and costs a great deal less. It will pay you to write us for samples and quotations.

U. S. ART BINDER CO.
225 W. Ohio Street, Chicago

Manufacturers of desk reminders, book covers, loose leaf covers, sample and display cabinets, and other novelties in superb art leather

PERSONAL MEMORANDA

Your ad. here

Large memo pad

High grade art cover

Will Bring Schools Nearer Shops

The recent inspection visit of seventy-five deans and professors of engineering and technical schools to the Chicago plants of the Western Electric and Telephone Companies, is significant of the widespread effort to bring class room and shop into closer contact, the Chicago Tribune points out, in commenting on the activity.

"There is a competition in some industries for technically trained men," the article says, "in others it appears that there are more men available than are needed for the strictly consultative or technical jobs, for which the curricula of the schools offer fullest preparation.

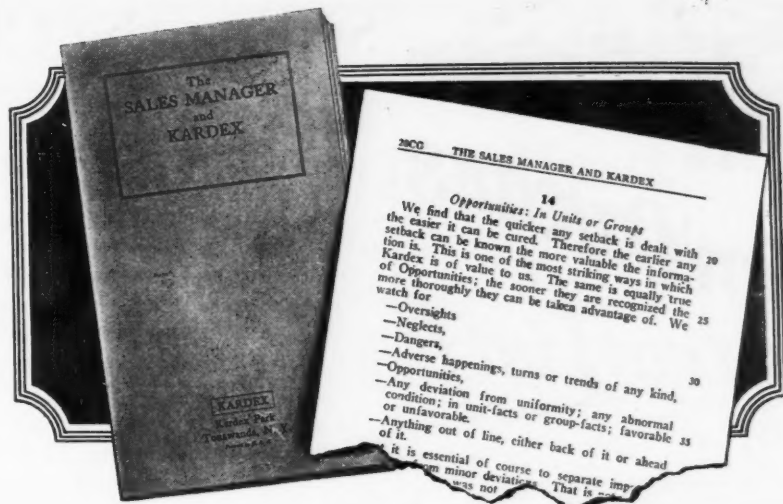
"A survey by the national industrial conference board disclosed that only 40 per cent of the technically trained college men in six big industries hold strictly technical jobs, for which they were trained.

Human Problems Important

"A great majority of technicians, in fact, are in general supervisory positions, or at least engaged in work in which 'a knowledge of general business practices, of human relations and labor problems, the art of handling men, is of importance entirely aside from technical knowledge.'

"In other words, to obtain and hold such positions the technically trained man must win his spurs in competition with others, who lack the advantages of his technical education, but may be as well equipped in other important respects.

"Industries which are carrying out research work all the time, like the electrical and chemical corporations, of course require a great number of highly trained technicians, who cannot be produced except in the schools and laboratories. This research work is bound to grow as the necessity is imposed upon management to protect the investment by foreseeing revolutionary changes in process and method, which might otherwise lead to loss, if first exploited by competitors."



Spotty or Steady Progress

How the sales manager can watch over the business of old and new customers, avoid the danger of loss during depressions, and build a well distributed increase of sales and profits

Total figures do not tell the whole story about volume. Loss of business from a few large customers might be a serious danger.

Successful sales managers find that Kardexed Records give them, without need for special reports, a true picture of conditions. Sales effort can be directed to produce a well distributed advance, reducing to a minimum the danger of set-backs.

In the booklet "The Sales Manager and Kardex" you will find suggestions that will at once help you control sales effort to produce bigger and more stable profit.

THE KARDEX RAND CO.

706 Kardex Park, Tonawanda, N. Y.

In Canada—Kardex, 58 King St. West, Toronto—London, 3 Holborn Viaduct, E.C. 1—Paris, 24 Rue de la Fidélité.

KARDEX

Send for your copy today — Use the coupon
There is no obligation whatever

THE KARDEX RAND CO.

706 Kardex Park, Tonawanda, N. Y.

- ☐ Please send your Book—"The Sales Manager and Kardex."
☐ Please send Kardex Man.

Name.....
Street.....
City..... State.....



Put New Orleans on that List!

Business is humming in New Orleans and the New Orleans zone. Public and semi-public improvements are under way or officially projected on every hand.

A great bridge is to span the Mississippi River. Other bridges will be built to establish a shorter motor route to the Gulf Coast where railroad and ocean shipping developments, together with new commercial enterprises and the rapid growth of this territory's popularity as a resort section are sending values rocketing.

New boulevards, parkways and other improvements will soon open long stretches of Lake Pontchartrain's shores in New Orleans and adjacent areas to residential, resort, commercial and agricultural development. Thousands of miles of new hard-surfaced highways leading into New Orleans will help promote new prosperity on plantations, farms and truck lands, and aid in the promotion of business activity in New Orleans and throughout south Louisiana and south Mississippi.

Put New Orleans on that list!

The Times-Picayune

FIRST FOR THE SOUTH

Representatives: Cone, Hunton & Woodman, Inc., New York, Chicago, Detroit, St. Louis, Kansas City and Atlanta; R. J. Bidwell Co., San Francisco and Los Angeles.

Selling the Chemical Industry

(Continued from page 956)

extremely wasteful. The manufacturer knows in advance that in all probability he will not be given any definite information to go upon and in some instances the prospect will actually try to mislead him as to the purpose for which the equipment is to be used, or the method that is to be followed in operating it.

More than one man of long experience in the field has told me of instances where concerns have deliberately given false information when inquiry was made as to the application of equipment. This obviously puts the manufacturer of equipment in a difficult position as regards any warranty on his part as to performance, and he frequently cannot give the purchaser specific information which would be of primary importance (as in the incident of the enamel, for example), because he cannot know what information applies and what does not.

The Policy of Secrecy

I understand that some of the larger equipment manufacturers have been obliged to adopt what is practically a policy of caveat emptor to meet the situation. Since they cannot guarantee performance under conditions that are uncertain, or perhaps unknown, they sell their equipment on the basis of a certain percentage down, and the balance upon satisfactory performance. The initial payment covers cost and a moderate profit, and the balance is velvet—if they get it. The purchaser pays a higher price than would otherwise be necessary for satisfactory equipment, but the manufacturer is partly compensated at least for the losses which follow the failure of his equipment through no fault of his own.

It is only fair to state, however, that the persistence of this habit of secrecy is due, in part at least, to the equipment manufacturers themselves. "I am perfectly willing to admit," said the technical director of a large concern where the rule of secrecy is rigidly enforced, "that the manufacturers of equipment have a great deal of important information that we do not get, and that we frequently

suffer from the lack of it. On the other hand, there are many things about our business which absolutely must be kept to ourselves, and we simply cannot trust the great majority of equipment men not to betray a confidence.

"A year or so ago, for example, we bought some driers from a concern with which we had not previously dealt. And what did they do? They sent a crew of salesmen to all our competitors, and a whole flock of possible competitors, telling them that with their equipment they could duplicate our process, and they would show them how. They couldn't do it, as a matter of fact, but where would we be if we had actually given them the authentic information?

"There are a few manufacturers we do take into our confidence to a large extent, but it is only after a pretty rigid test. The great majority, however, are so hungry for business that consciously or unconsciously, they can be relied upon to broadcast any information they can get. It sometimes costs us a good deal of money to rely on our unaided judgment, but it doesn't cost us anything like what it would to broadcast some of our formulas and processes."

Qualifications of Salesmen

It may be that the technical director is overstating the case. In a good many instances concerns place an entirely fictitious value upon "secrets" that are in reality no secrets at all. But there is a good deal in what he says with regard to the tactics of the sellers of equipment. There can be no reasonable objection if a manufacturer advertises the fact that he has sold equipment to a certain concern, but the details as to the conditions under which it is used, and the processes involved, are another matter.

Without attempting to pass judgment as to the policy of secrecy one way or the other, there is little doubt that it works to the disadvantage of the buyer in this field in more ways than one.

"The salesman who makes a real, permanent success in selling

to the chemical field," says the sales manager who related the incident of the enameled pipe, "must first of all be a technical graduate in chemical engineering, or at least must be able to meet the technical director on his own ground without floundering. I have known of only one real exception to this rule. If a man cannot talk intelligently in terms of H_2SO_4 and ethers and esters, he won't get anywhere as a rule, no matter how much merit his product may actually possess.

Pitfalls to Avoid

"Next he has got to be a good deal of a diplomat—the more so the better. He is likely at any time to run into a situation where the technical staff is bent upon purchasing something that he knows won't prove satisfactory, and he can't too obviously call their judgment into question. Also there is generally (invariably, you can almost say) a considerable amount of jealousy between heads of different departments, and especially between the practical men and the theorists, so called. The mill superintendent is quite likely to nurse a private opinion to the effect that the technical director is a "nut," and the latter is not likely to take kindly to any suggestions that appear to have been originated outside his own province.

Also and furthermore, the salesman has got to be something of a Sherlock Holmes, in order to get information that at times is absolutely essential, but won't be forthcoming. Most important of all, he has got to have a clear conception as to what is confidential information and what is not, and has got to guard the confidences of his customers scrupulously. This is no field for the go-getter, the overbearing bird, or the blabbermouth. He has got to stick to his job of applying his product to the specific needs of the customer, as nearly as he can, and keep his lip buttoned up when it comes to talking about anybody else. The salesman who talks too much about others is simply serving notice on the prospect that he isn't to be trusted with information that the prospect doesn't want peddled to his competitors."

You Can SHORTEN Your SELLING HOURS

—with effective selling letters and circulars

There are orders in every mail bag



Well thought out and well planned letters or circulars, such as we are constantly producing for our customers, sent ahead of your salesmen, will break down sales resistance. Your salesmen will spend LESS time between calls and MORE time selling. This means INCREASED SALES at LESS COST.

We prepare, produce and mail, complete Direct Mail Selling Campaigns from "The Idea to the Mail Sack." Let one of our merchandisers talk it over with you.

BUCKLEY, DEMENT & CO.

DIRECT MAIL ADVERTISING
PLANNED • PRINTED • MAILED

1308 Jackson Blvd., Chicago • 247 Park Ave., New York

Fifty Inexpensive Plans for Getting Inquiries—for Free Examination

The editorial staff of the Dartnell Corporation is just completing a most comprehensive investigation of the most successful plans used by leading concerns to get inquiries at low cost. A copy of the report of this investigation, and weekly mailings of the Dartnell Sales Service (of which these reports are a feature), will be sent to executives interested in Sales and Advertising on trial. If you find the service helpful it may be continued—otherwise the material may be returned any time within thirty days for complete cancellation of the \$6.00 monthly charge. The report alone will be sent on ten days' approval at \$3.00.

Write to

DARTNELL—1801 Leland Avenue, Chicago

"GIBBONS knows CANADA"

TORONTO

J. J. Gibbons Limited, Advertising Agents

MONTREAL

WINNIPEG

Leading Hotels on this Tour

CLEVELAND, OHIO HOTEL CLEVELAND

Conveniently located at the Public Square
on Cleveland's widest thoroughfare

HOTEL LINCOLN

400 Rooms and Bath

Conveniently located in the heart of Indianapolis
Washington Street (National Trail) at Kentucky Ave.

Management, R. L. MEYER
INDIANAPOLIS, INDIANA

DAYTON, OHIO THE MIAMI HOTEL

301 Rooms Rates \$2.50 and up
Management, J. M. BERES

TOLEDO, OHIO THE HOTEL SECOR

338 Rooms. Rates \$2.50 and up
Two Restaurants and Lunch Room

PITTSBURGH, PA. The General Forbes Hotel

Most centrally located hotel in Pittsburgh
600 Rooms

ROCHESTER, NEW YORK HOTEL SENECA

350 Rooms
A favorite stopping place with Sales Managers
Test our service

CHICAGO, ILLINOIS THE MORRISON HOTEL

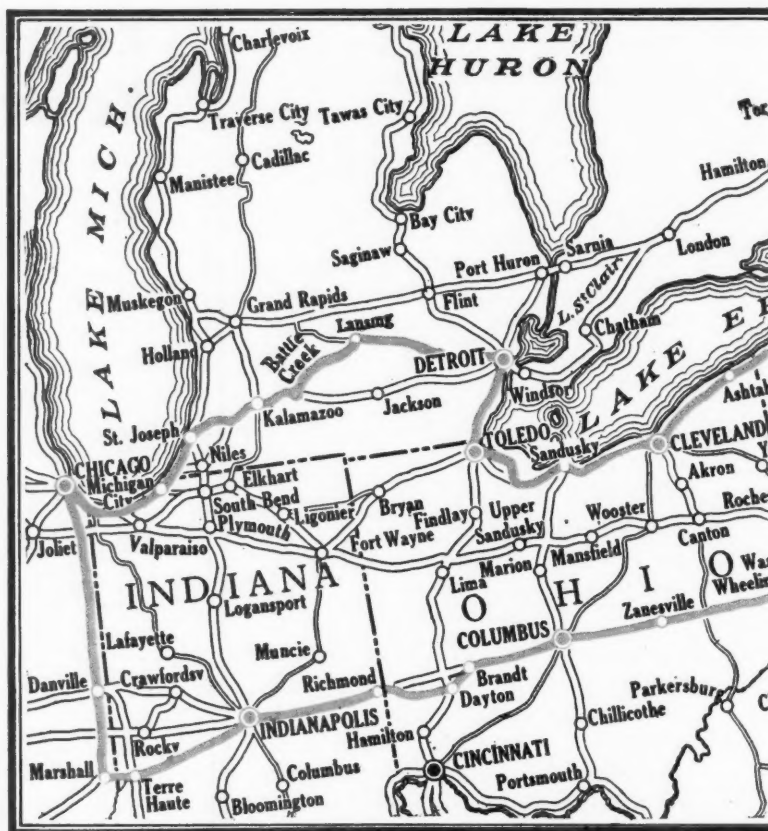
1,000 Rooms each with Bath
The Home of the Terrace Garden

ERIE, PA. THE LAWRENCE HOTEL

170 Rooms. Rates \$2.00 and up
Garage convenient

ALBANY, NEW YORK THE TEN EYCK HOTEL

400 Rooms
Rates \$2.50 and up

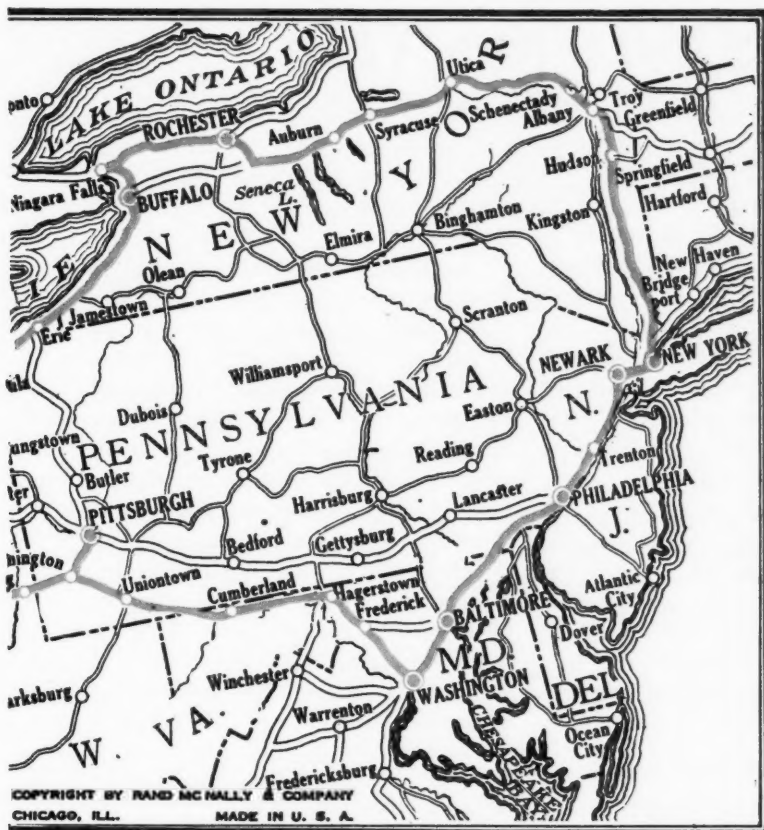


A 2,500-Mile Field

THE sales executive, today, who expects to keep in close contact with his salesmen, with his customers, with market conditions and with competition can no longer do this by remaining in his office week after week. He finds it imperative now to get out into the territory, to discuss problems and policies with his trade, and to develop closer cooperation with his men. A tendency is growing to abolish the large sales conventions and rather to hold local sales conferences frequently with a few of the men in the various territories.

To the executive who wants accurate up-to-date information on conditions in the country today, we strongly recommend the 2,500 mile field trip outlined above.

The President and Sales Manager of a well-known Chicago firm completed this tour in two weeks during last October. Already their experiences have proven of considerable value to this organization and as a result many new features have been added to their work.



Trip on Hard Roads

Of course no one will follow the exact trip as outlined above, but we recommend it for several good reasons. Every mile on this 2,500 mile tour is either concrete, asphaltum, brick or some similar hard pavement. Forty cities are included on the schedule, while many more can be visited if desired. The five largest cities in the country are included and likewise many of the smaller towns and even villages can be made. Every possible viewpoint can be obtained, and all conditions studied first-hand.

Most of the towns are fairly close together, so that the jumps between can be covered at noon or in the evening. This gives the maximum time for calls and conferences with salesmen. A further feature of this trip which will make a strong appeal to executives is the excellent hotels which will be found along the route where the facilities, comforts, food and hospitality are unusual.

For further details we will be glad to have you write to the Travel Bureau of SALES MANAGEMENT Magazine.

Leading Hotels on this Tour

NEW YORK
THE WALDORF-ASTORIA

PHILADELPHIA
THE BELLEVUE-STRATFORD

WASHINGTON
THE WILLARD

CHICAGO, ILLINOIS
THE DRAKE HOTEL

Over-looking Lake Michigan
The Choice Hotel for Conventions

DETROIT, MICH.
THE HOTEL TULLER

Central location facing Grand Circus Park.
Garage convenient. Rates \$3.00 and up.

COLUMBUS, OHIO
THE DESHLER HOTEL

400 Rooms. Rates \$3.50 and up.
Opposite State Capitol Building.

BALTIMORE, MD.
THE SOUTHERN HOTEL

345 Rooms all with Bath
Minimum Rate, \$4.00 per day

SCHENECTADY, NEW YORK
THE VAN CURLER HOTEL

Opened May 8, 1925
Member of American Hotels Corporation
Located at entrance to bridge over Mohawk River

CHICAGO, ILLINOIS
THE SHERMAN HOTEL

New addition opened in May
The favorite hotel for sales executives and salesmen
Rates \$3.00 and up

1925-26
**CORPORATION
DIRECTORY
of Ohio**



With this unequalled source of authentic information at hand, your financial, advertising, sales promotion and credit departments will be able to readily locate the personnel comprising the major portion of the buying power of the State of Ohio.

As a Mailing List—

This book is invaluable. It contains the names of all Banks, and stockholders with number of shares held, Corporations and the individuals comprising the directorates of all businesses doing business in the State. It is up to date in every particular and will prove to be of tremendous value to your sales department as it will enable that department to get in touch direct with the firms and individuals with whom you desire to do business.

Write For—

Descriptive circular giving complete information, sample pages and outline of utilities. (Price, \$25.00.)



Corporation Directory Co.
781 The Arcade Cleveland, Ohio

Will Money in the Bank Help Salesmen Sell?

Who makes the best salesman—the improvident, irresponsible fellow with “home worries”—or the man with money in the bank?

Thrifty, independent salesmen seldom “flirt” with sidelines. The salesman who feels “safe” financially is not taking long chances on going into business for himself.

What a Salesman Should Know About Finance

By J. C. Aspley

is a commonsense, coat-pocket-size book on thrift for salesmen. It points out the advantages of saving money in an entirely new way. Makes salesmen content with their jobs and shows them that their best bet is to make and save money where they are. It also opens a salesman's eyes to the importance of conserving the company's money as well as his own.

\$1.10 on Approval

The Dartnell Corporation
1801 Leland Avenue
Chicago

One Move Reduced Expenses \$250,000 a Year

(Continued from page 940)

That meant a greater margin of profit. In matter of lubricants, of course, freight rates were not so vital. We still ship Havoline to distant points, as always. Recently we sent a train load to New England, where buying is careful.

We also sell largely in British Columbia and all points between. Our goods go abroad, to all parts of the world. We sell in Java, home of East India's oils.

We still maintain branches in New York, Chicago, San Francisco, and other central markets. But the nerve-center is at the plant—where it should be. Here policies are made and the whole structure of manufacturing and selling coordinated.

Branches Are Maintained

In other times we used to bring our sales force, once a year, to New York—with its distracting influences. We thought we were doing very well at these conferences, but were we?

The two most recent conferences were held in Lawrenceville. Many of our salesmen saw the plant for the first time. A dozen remarked:

“This is a revelation. I never knew our plant was as great as this. This understanding of it gives me a wonderful selling argument.”

So they went back to their posts filled with new knowledge about their business. Enthusiasm, full of desire to spread the word to their customers. Enthusiasm and intimate information sell goods.

Our technical men took the salesmen through the plant and explained in detail the processes that make our goods good. They viewed the plant improvements we are putting in—learned of the \$1,000,000 spent last year on extensions and betterments, of the \$750,000 expenditures planned this year. In a word, we got them sold on us!

Any sales manager knows what it means to have his men, his contact points with the public, sold on the organization, the plant and

the products. That alone will net us other thousands of dollars in profits a year. It is an extremely fine thing.

Convinced that we have made a wise move? Any man who faces these problems can see the results.

In the months that this transformation has been taking place some of us have found some pleasure in looking into other industries. We believe that there are hundreds that might emulate us to their good and lasting profit. Unquestionably this has been pioneer work and we have had to meet and solve the problems of the pioneer. But you could not drag us back to the old way and if anyone desires to doubt in any manner, he may take the answer from our balance sheet.

That balance sheet was improved \$1,500,000 in the first twelve months that we were operating under the new order. Many business men have asked us about what they have deemed “our adventure in centralization.”

A Single Year's Gain

There are more present and potential advantages than this space permits relating. What has been said covers only the plain facts that have already been evidenced in net results to our company. If our experience carries a message that throws some light upon similar problems faced by other organizations, we feel that it has served an even larger purpose.

It is this experience that causes many in our organization to believe that if every business, now making its fight in New York, would move its sales force and its general offices back somewhere, back to some place—usually to the middle west, where they would be close to raw materials, supplies and the center of population, where workers could have better health and play, natural living conditions, back where it would pay in dividends to be—it would take a million persons out of New York City.

Chains Show Gain in Far West

The noteworthy gains made recently by the chain stores on the Pacific Coast were reflected in a recent meeting of the Western Chain Grocers' Association at Oakland, California.

This meeting was the largest in point of attendance and in the number of stores represented ever held by this organization. The meeting was attended by representatives of 1,372 stores; with new recruits the number was raised to 1,615.

Among the speakers and topics for discussion at the meeting were: "Chain Store Advertising," H. H. Lestico, Los Angeles, who is in charge of advertising for the association; "Free Deals—by Different Soap Companies," George B. Christensen, Piggly-Wiggly Company; "Recognition—Should Chain Stores be Recognized and Sold Direct?," P. C. McAbee, Martha Washington stores; "Cash and Delivery—Tendency for Cash and Carry Grocers to Adopt Cash and Delivery," C. C. Jenkins, Pay 'n Take stores; "Warehouse Control—How Best Obtained," E. W. Trapp, Jenny Wren stores; "Minimum Resale Prices," A. C. Evans, Sunshine stores.

Williams & Cunnyingham Have New Accounts

Williams & Cunnyingham will handle the advertising of the Franklin R. Muller Company, Waukegan, Illinois; College Inn Food Products Company, Chicago; Walton School of Commerce, Chicago; the Cotta Transmission Corporation, Rockford, Illinois; Lipman Pump Works, Rockford, Illinois, and the Roseland Can & Wire Goods Company, Rockford, Illinois.

The Hudson Motor Car Company earned a total of \$9,795,715 net in the past six months of the fiscal year ended May 31, equal to \$7.42 a share on 1,320,000 common shares outstanding. During this period 110,490 Hudson and Essex cars were shipped.

WM. PICKETT SON & CO.

MANUFACTURERS' AGENTS

Selling the Hardware Jobbing Trade since 1871

IF you have perfected a good product which should be sold through the Hardware Jobbing Trade and have need for a sales outlet, here is an old established National Sales Company, ready to sell your output if your product meets requirements.

1. Invaluable good will yours from the start, built on a record of 54 years of making good.
2. No loss of time in getting started.
3. Personal acquaintance with buyers.
4. Confidence established.
5. Our credit knowledge of the trade minimizes losses.
6. Not one manufacturer employing us has been a financial failure.
7. We operate our own warehousing facilities at Chicago.
8. Our packing, marking and pricing knowledge saves experimenting.
9. We do the work of the Sales Manager and his salesmen. We are your complete selling department.

We are now in position to add a limited number of products—you can put your selling problems on our shoulders. Write us today and assure action before our lines are closed for the coming season.

WM. PICKETT SON & CO.

119 South Jefferson Street
Chicago, Ill.

Printing that pays for itself—

"There are two kinds of printing. The kind that pays for itself and the kind that you pay dearly for.

Forceful, dignified, distinctive printing pays for itself over and over again in the favorable impression it creates, and the goodwill it builds. Cheap, slovenly printing on the other hand, indicates that the house is equally careless in other matters. You may "save" a few dollars on such printing, but in the long run it will prove the costliest commodity you can purchase."

We produce printing that produces results.

RATHBUN-GRANT-HELLER COMPANY
725 SOUTH WELLS STREET CHICAGO, ILLINOIS

The EVANSHIRE

In Chicago's Most Beautiful Suburb
EVANSTON

The Evanshire in Evanston is closer to Chicago's business, shopping and amusement center than are many Chicago hotels. Surface, elevated and steam transportation lines, a block distant, make fast time to Chicago's "Loop." Thus at the Evanshire you can have the convenience of location of a Chicago hotel in the environment of Chicago's wealthiest and most beautiful suburb. And charges throughout, including the restaurant, are notably moderate, although in equipment, service and class of patronage the Evanshire holds high rank.

The Evanshire is at Main and Hinman streets, only a few blocks from glorious old Lake Michigan. European plan. Rates are from \$3.00 a day up for single and \$5.00 up for double rooms, all with private bath. Write today for illustrated folder.



Where the Sale Begins

First impression is important—see that the card you present is an indication of your business character.

Wiggins Book Form Cards can be beautifully engraved or printed, and are always clean and convenient. Bound at one end, they detach easily with a smooth, straight edge. They have the snap and "feel" of quality.

We engrave them or supply blanks to your printer for type-printed cards. Convenient cases in several forms. Write for sample tab and information.

The John B. Wiggins Company
Established 1857

1102 S. Wabash Ave. CHICAGO 705 Peoples Gas Bldg.

WIGGINS
Peerless Book Form **CARDS**

Two Thousand Letters a Week

(Continued from page 942)

leave me your literature" is a courteous but effectual dismissal. The prospect does not bother even to wade through the circulars; probably they do not apply specifically to his handling problem. But when he has requested the salesman to have certain specific facts sent, he looks them over when they arrive accompanied by a personal—though duplicated—letter. Thus, sales literature is not wasted.

I have mentioned that our mailing list cards are arranged geographically and tabbed according to line of business. Often a salesman finds that he has his best luck in some line where business is booming at the time. So he notifies us that he intends to call, let us say, on every wholesale grocer in his territory.

Cooperating with Salesmen

We forthwith pick out all of the wholesale grocers in his territory and write them a sales letter in which we include the statement that Mr. Martin will call soon. That makes it easier for Martin.

In this connection, we have discovered an interesting time-saving method. Picking out cards by hand is a slow, nerve-racking job. So we use tweezers. The tweezers draw the card out by the tab, while if a girl did the work by hand she would have to leaf through the cards in order to get her fingers between the cards. It is remarkable what speed can be developed by the tweezer method.

One fact which is not generally recognized in direct-mail work, which we have, nevertheless, proved out time after time, is that a letter is not dead simply because it had been sent to the mailing list once. We send a letter repeatedly to our whole list. If it has pulled unusually well the first time over, we find that it will pull just about as many orders and inquiries if it is used again on the same list six or eight months later.

Exceptionally profitable letters we have even been known to send out to the general list twice in succession. Both times they pulled far above the average for us.

One letter which starts out: "In thousands of plants—many with conditions exactly like yours—handling costs have been reduced 50 to 75 per cent simply through adopting the proper inside transportation system," has gone to our entire list more than once, at a good net profit.

We have no illusions that our letters are effective because they are works of genius; we believe that letters as effective could be written by almost anyone who has any knack for selling by mail.

Steady Hammering Brings Results

We do not feel that a method similar to our method of helping salesmen by mail requires favorable conditions before it would pay any other concern. Certainly a technical piece of factory or warehouse equipment, with an average unit of sale over \$100 and in a highly competitive field does not present the easiest possible mail sales problem.

We do feel sure that letters similar to ours, sent out under a plan as persistent as ours, would pay in a great many concerns which do not use them. That is the reason why of this article.

Constant hammering at prospects by mail—not any exceptional gift for letter writing—is the secret of the profit we find in our circularizing. We do our best to make the prospect sick of his high cost of handling materials, and then we propose our equipment as the remedy for his sickness. It is as simple as that.

This constant hammering keeps our salesmen enthusiastic, and working hard—yet none of them are on our payroll. It keeps them busy on inquiries because they have learned that keeping busy, under our plan, will make money for them.

Least in importance, no doubt, but most interesting of all, is that these mailings pay a profit after all costs, as I have previously explained.

And if a concern can accomplish only this last result, certainly the profit itself justifies the effort.



HALF an' HALF



Eddie Rickenbacker's hunches on the future of aviation give us one—that forty years from now our grandchildren will be saying, "My old doddering granddad over there once had a chance to buy a quarter interest in the American Flying Syndicate for \$25,000. But he was too wise. If he had done it the stock would now be worth twenty-five million." At any rate, that's been the experience of other men. In a recent talk M. L. Wilson of the Blackman Company brought out that on his 91st birthday Chauncey Depew recalled that in 1876 he declined to take a one-sixth interest in the Bell Telephone Company, because he was informed by "the greatest electrical experts" that it was nothing but a toy.

The Bell Company now has fifteen million installations and had Mr. Depew accepted their offer and followed through with a similar interest in local companies, his share of the 1924 dividend of the New York Telephone Company alone would have been three million dollars.

Twenty-five years ago this item appeared in the New York World:

"President McKinley, calling on the widow of Vice President Hobart at Paterson, N. J., took yesterday his first ride in an automobile. He said he preferred horses."

To have predicted then that today there would be in use more than one automobile for every two families throughout the country, would have qualified the speaker for examination by an alienist.

$\frac{1}{2}$ & $\frac{1}{2}$

Some genius of research may be able to answer a question that has been puzzling us for a couple of months—which is, of the thousands of June brides this year, how many came from homes where O-Cedar Polish was used on floors and furniture? For in one of their recent color advertisements the heading ran:

TO THE MOTHER

Who is thinking of a husband for her daughter

And then the copy developed this logical appeal:

"In every circle of people you find her—the mother whose daughter's acquaintance with young men is limited to a passing, 'How do you do?' It worries her that other girls, no prettier, have their callers and engagements. Is her girl too diffident or too disdainful? What can the trouble be?"

"More often than mothers think, the appearance of the home interior and its furniture is the real answer. Pride keeps many a girl from urging nice young men to call.

And yet things could easily be so different. Just a little O-Cedar Polish on a moist cloth and the dingiest, most neglected furniture finishes glisten and charm as

though new. O-Cedar cleans as it polishes. Its soothing, beneficial oils awaken a new and delightful beauty in any wood surface."

Now that O-Cedar has used the idea they probably won't mind if some of our readers appropriate it for pushing flat irons, baby carriages, and salt shakers.

$\frac{1}{2}$ & $\frac{1}{2}$

The writer, in his younger days, held a fairly responsible position with a company that folded up and died for lack of financial sustenance. Later it was reorganized and now is doing very well. But that failure disturbed him; he feared for a long time that he would never live it down. Recently he was encouraged to read that M. C. Rorty, vice-president of the Bell Telephone Securities Company, who has made a long and scientific study of economic problems, discovered that there are very few going concerns which have not gone through one or more forced reorganizations. Many years ago Adam Smith announced that in his time "double interest" was considered a fair profit for a company, and, strangely enough, that is the most accurate statement that can be made today—the average rate of return on money employed in going business enterprises is double the prevailing rate of interest. Mr. Rorty says:

"Each new enterprise seemed to pass through one or more reorganizations, with accompanying heavy losses to investors, before it really became a going concern; and each going concern sooner or later died, or became wholly or partially crippled. The immutable laws of nature applied alike to man and his legal creatures. The corporation, like the man, could not count the earnings of its robust years as clear profit. It, equally with the man, must make provision for youth and old age, for sickness, misfortune and death. This, at least, became the writer's conviction—that taking all legitimate ventures into account, and considering, as a whole, their failures and successes, their many risks and their few certainties, their youth, their robust years, and their old age, the average profit on the capital employed in industry was not 'double interest,' but on the contrary exceeded 'single interest' by a relatively small margin, if any."

$\frac{1}{2}$ & $\frac{1}{2}$

We witnessed the purchase by a haughty shopper the other day, of half a yard of ribbon which sold at 25 cents a yard. When the clerk made out the bill, the amount of the charge was, of course, 13 cents. "Why should I pay 13 cents instead of 12?" demanded the shopper. The clerk patiently explained that a half a cent counted as one cent in such transactions. "The very idea!" fumed the buyer, highly incensed, "and we're trying to build a house, too!" —PHILICITUS.

SALES MANAGEMENT—JUNE 27, 1925

Mailing Lists

We are prepared to furnish you mailing lists of every classification all July, 1924, guaranteed 98%. Ask for our General Price List showing 4,000 classifications and 52 page Red Book itemizing them by states. Very valuable information and costs you nothing.

A. F. WILLIAMS, Mgr.

166f West Adams Street, Chicago
Established 1880 Phone Franklin 1182



House Organs

We are the producers of some of the most successful house organs in the country. Edited, printed, and mailed in lots of 1000 and up at 5 to 15 cents per name per month. Write for copy of THE WILLIAM FEATHER MAGAZINE

The William Feather Company
611 Caxton Building :: Cleveland, Ohio

TESTIMONIALS

Orders, checks, maps, reports, blueprints, etc. PHOTOSTAT prints are convincing photographic facsimiles—produced without plates

Send for Samples
Best prices—Quickest service

Commerce Photo-Print Corporation
80 Maiden Lane New York City

Get It FREE!
"In the Public Eye"
A booklet on Movie Advertising
STANDARD SLIDE CORP., 209 WEST 48th ST. NYC

TOYCO Promotion BALLOONS



Toyco Promotion Balloons have a powerful child appeal. Ask us how to hitch this force to your sales.

Business Idea Dep't.

The TOYCRAFT RUBBER CO.
ASHLAND, OHIO

STICKERS—LABELS



gummed special design stickers, labels and embossed seals in any quantity. We carry a complete line of standard stock stickers and can render prompt delivery. Send for catalogue.

ST. LOUIS STICKER COMPANY
1627 S. M. Washington Avenue St. Louis



MULTIGRAPH USERS!

Write for this free booklet! It is chock full of helpful ideas and practical suggestions for producing better letters on the multigraph. Gives best solutions as worked out by experienced operators. Attach company's letterhead to request.

CHICAGO MANIPOLD PRODUCTS CO.
Dept. 11, Great Lakes Bldg., Chicago, Ill.

News of the Road

Construction work on the new Hotel Olds at Lansing, Michigan, was started last month, and it was announced that the opening would take place in May, 1926. The building, to cost one million dollars, will be of twelve stories and will contain 280 rooms with bath and nine with connecting bath. It will have eight stores and eighteen sample rooms.

June 1 the Union Pacific and Wabash Railroads announced a new limited train between St. Louis and Denver to be known as the St. Louis-Colorado Limited. This train makes the trip in the fast time of 26½ hours, leaving St. Louis at 2 p. m., and arriving at the Mile High City at 3:30 p. m. the next afternoon.

A height limit hotel of thirteen stories is to be erected at once in Los Angeles. It will be called the Hotel Herrick, will cost one million dollars, and will contain 300 rooms each with shower and tub. The Herrick will be completed by April, 1926.

Contracts have been let for an addition of four stories to the Hotel Utica of Utica, New York. This addition will provide an extra 150 rooms, making the total guest rooms 350. Work is to start at once and it is expected that the new section will be ready for use early in December. This hotel, located as it is in the very center of New York State, has been very popular as convention headquarters.

New hotels have recently been opened in two of the leading cities in Wisconsin. May 16 marked the formal opening of the New Androy Hotel in Superior. The new Hotel Dayton in Kenosha has had the unusual distinction of having handled a convention crowd before the hotel was officially opened. The Dayton is an eight-story building with 105 rooms.

Welcome news to the towering sales executives who have the doubtful pleasure of trying to sleep in most hotel beds with knees—even with chins. The Greater Hotel Sherman in Chicago has devoted one entire floor of their new addition to rooms with extra length beds for tall people.

The news has just reached us of the opening of a new 150 room addition to the St. Nicholas Hotel at Springfield, Illinois. The St. Nicholas, located in the capital of the state, now has the distinction of being one of the three largest hotels in the state outside Chicago.

The New Read House, now being erected on the site of the former Read House at Chattanooga, Tennessee, will have 300 rooms, ten stories, and will cost \$1,200,000.

Personal Service and Supplies

Classified rates: 50c a line of seven words; minimum \$3.00. No display

EXECUTIVES WANTED

COFFEE AND TEA HOUSE OF NEW YORK that does a good mail order business to hotels, clubs and private families would consider a partner. A young man must be able to be outside and sell goods, well educated and executive ability, able to invest some money and references that can be well scrutinized. No need of answering this unless you can fully comply with same. Established since 1895. A. J. Sheldon Company, 73 Front St., New York, New York.

DISTRICT MANAGERS—POSITIONS ARE available for high grade men only, who have executive and sales ability. We finance anything pertaining to our branches. Only thoroughly experienced warm air furnace men need apply. You may write in confidence to Sales Manager, Marshall Furnace Co., Marshall, Mich.

PUT THIS ADVERTISING MAN WITH proven record on your payroll for just \$1.25 a day. Will write your sales letters, booklets, advertisements, suggest new ideas, put a new sales vigor into your advertising copy. Write for details. Unusual limited offer. Box 683, SALES MANAGEMENT, 1801 Leland Avenue, Chicago, Illinois.

DISTRICT MANAGERS—THE AVERAGE sales manager will not be interested in the connections here offered, nor will the advertiser be interested in him. But if you are one of those rare men who have an actual capacity for making salesmen; if you have considerably more physical and mental energy than most possess; if you have a demonstrable record in large scale direct distribution, a \$10,000 per year opportunity exists for you here. Write fully, in confidence, to H. F. Baker, general sales manager, 208 W. Monroe St., Chicago.

POSITIONS WANTED

I HAVE HAD TWELVE YEARS AUTOMOTIVE experience; seven years actual factory work covering shop work, experimental engineering laboratory, service and purchasing departments; five years merchandising experience as branch manager, sales manager and territorial representative. Have traveled all the states east of the Mississippi and have a wide acquaintance. Seek opening where experience and acquaintanceship can be used to advantage. Age 31, American, married; will locate anywhere. At present employed. References and complete outline sent on request. Address Box 681, care SALES MANAGEMENT, 1801 Leland Av., Chicago.

SALESMEN WANTED

SALESMEN—\$200-\$500 MONTHLY selling Bestever Powdered Hand Soap, to grocers, hardware stores, garages, druggists. Marvellous discovery. Removes grease, paint, ink, everything from the hands without injury. Great repeater. Exclusive territory to producers. Sample free. Bestever Products Co., 1941-R Irving Park, Chicago.

REPRESENTATIVE WANTED—WE ARE seeking the services of a capable representative in some of the leading sales centers—St. Louis, Cincinnati, San Francisco, Detroit, and Indianapolis. In these cities our business is well established without personal representation. In other cities our salesmen are successful. They are paid on a commission basis. We have an excellent opportunity for good men to make substantial profits the first month. A letter addressed to Sales Department, The Dartnell Corporation, 1801 Leland Ave., Chicago, will bring detailed information.

SALES PROMOTION

\$50 TO \$50,000 DAILY SALES developed during 26 years for clients by my direct-mail plans, copy, campaigns. A \$25,000 annual volume increased ten-fold in twelve months. Another, from an initial expenditure of \$720 developed in four years sales by mail of half million yearly. Ten years sales promotion manager Larkin Co. Submit sales problems for free diagnosis. James C. Johnson, 119 Woodbridge Ave., Buffalo.

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SALES MANAGEMENT—JUNE 27, 1925

Leading National Advertisers spend Millions more in Newspapers than in Magazines

*and more is spent in The Chicago Tribune for
national advertising than in any other newspaper*

THE list to the right includes nearly every national advertiser whose total expenditure for space is \$500,000 or more.

They are the advertisers who come nearest to complete national distribution of their products. Is there a spot where Ford cars or Wrigley gum or Ivory Soap or Goodrich Tires or Quaker Oats or Chesterfields or Pepsodent or Bull Durham or Postum Products or Victor Records cannot be purchased? And these advertisers spend more in newspapers than in magazines.

In The Chicago Tribune alone these advertisers spent \$1,159,949. Fifty-two out of the fifty-nine included The Tribune in their advertising program.

If these successful and experienced advertisers find it profitable to spend more money in newspapers, what of the advertiser with great open spaces in his distribution, with a smaller advertising appropriation, with greater need to concentrate his sales efforts in a rich territory, with greater hope for building steadily, certainly and economically?

1924 Advertising Expenditures

	In Newspapers See Note 1	In 31 leading magazines See Note 2	In The Chicago Tribune
Victor Talking Machine Co.....	\$1,900,000	\$1,184,310	\$46,478
Ford Motor Co.....	2,000,000	651,250	18,895
Postum Cereal Co.....	875,000	1,274,830	41,293
Chevrolet Motor Car Co.....	1,650,000*	552,065	24,740
American Tobacco Co.....	1,600,000	298,691	17,668
Dodge Brothers.....	1,200,000	641,600	16,463
Procter & Gamble Co.....	510,000	1,409,050	.....
Liggett & Myers Tobacco Co.....	1,500,000	186,206	49,052
Colgate & Co.....	450,000	1,158,453	30,282
Congoleum Co.....	400,000	1,181,900	7,442
Campbell Soup Co.....	.....	1,519,250	.....
Standard Oil Co. (Indiana).....	1,500,000	.....	106,082
Calumet Baking Powder Co.....	1,400,000	.....	14,460
Pepsodent Co.....	800,000	361,303	14,000
Willys-Overland Co.....	500,000	859,850	83,659
Lever Bros. Co.....	??????	1,339,350	24,000
Wm. Wrigley Jr. & Co.....	1,250,000	.....	11,826
Corn Products Ref'g Co.....	800,000	384,300	.....
Paige-Detroit Motor Car Co.....	1,000,000	167,700	77,856
United States Rubber Co.....	750,000	309,410	28,570
Hupp Motor Car Co.....	750,000	295,980	41,433
H. J. Heinz Co.....	600,000	527,970	9,335
The Palmolive Co.....	300,000	785,270	4,696
Bulck Motor Co.....	635,000	431,500	54,754
Sun Maid Raisin Gr's Assn.....	465,000	518,050	2,758
Quaker Oats Co.....	400,000	532,580	2,399
Andrew Jergens Co.....	150,000	777,875	33,900
Lambert Pharmacal Co.....	150,000	769,039	6,955
Oakland Motor Car Co.....	700,000*	232,700	32,615
Borden Sales Co., Inc.....	380,000	503,560	1,840
B. F. Goodrich Co.....	700,000	217,725	14,675
Vacuum Oil Co.....	125,000	752,000	11,615
Armstrong Cork Co.....	400,000	423,700	17,192
Eastman Kodak Co.....	250,000	566,845	12,000
Hart, Schaffner & Marx.....	500,000	284,775	.....
Cliquot Club Co.....	650,000	124,588	7,362
Swift & Co.....	??????	763,960	5,535
General Cigar Co.....	600,000	146,400	29,853
Metropolitan Life Ins. Co.....	125,000	594,945	976
Rickenbacker Motor Car Co.....	560,000	117,500	31,983
American Radiator Co.....	??????	667,685	12,650
Brunswick-Balke-Collender Co.....	400,000	254,800	21,463
Pond's Extract Co.....	200,000	445,100	23,400
Parker Pen Co.....	250,000	267,750	11,095
Valentine & Co.....	.....	595,500	.....
Cudahy Packing Co.....	??????	592,000	1,465
Cheek-Neal Coffee Co.....	300,000	276,894	17,116
Union Pacific System.....	570,000	.....	2,360
General Electric Co.....	??????	562,140	4,392
Radio Corporation of America.....	250,000	303,460	1,169
At., Top. & Santa Fe R. R. Co.....	500,000	40,620	17,306
Fels & Co.....	.....	539,350	.....
Cream of Wheat Co.....	.....	525,400	.....
Simmons Co.....	210,000	308,960	15,166
McFadden Publications.....	510,000	.....	11,306
Lehn & Fink, Inc.....	??????	504,410	27,685
Fleischmann Co.....	??????	503,560	44,172
Standard Oil Co. (Calif.).....	500,000	.....	.....
Literary Digest.....	500,000	.....	14,602
Totals.....	\$32,834,949	\$29,434,111	\$1,159,949

*Includes dealers' advertising.

Note 1—Estimates compiled by The Bureau of Advertising of The American Newspaper Publishers' Association after extensive investigation.

Note 2—Estimates compiled by Crowell Publishing Company, including all space in 31 national magazines.

The above list includes all advertisers whose combined expenditures for magazine and newspaper space total \$500,000 or more.

(?) Though these seven concerns spent a large amount for newspaper advertising throughout the country, no figures are available except on space used in The Chicago Tribune. Therefore only The Chicago Tribune figures are included in the total.

‡ Hart, Schaffner & Marx have a special advertising arrangement with dealers in some cities. For example, Maurice L. Rothschild of Chicago used 384,770 lines of advertising in The Chicago Tribune last year, a large portion of which was for advertising of Hart, Schaffner & Marx clothing, paid for by the manufacturer.

Even with the handicap of these omissions which give magazines an undue advantage, newspapers show the decisive lead of \$3,400,383.

The Chicago Tribune

THE WORLD'S GREATEST NEWSPAPER

Circulation Over 600,000 Week Days and Over 1,000,000 Sundays

ADVERTISING lineage records are cold and emotionless indexes of space-buying.

These records show that for three consecutive years the Evening American has gained more advertising than any other Chicago daily newspaper.

The ever increasing preference by advertisers for the Evening American is highly significant in this great market.

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CHICAGO  AMERICAN

A good newspaper

Daily average net paid circulation for the six month period ending March 31, 1925—474,230

